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BUSINESS MOVES FIRMLY FORWARD BUT WITH CAUTION

Further Reduction Reported In Money Loaned by Chartered Banks

MERGERS CONTINUE

Mining Most Active Branch of Industry — Merchandise Shipments Show Gradual Expansion of Trade

"Full speed ahead, with caution," was the expression used by an industrial leader to characterize the Canadian business situation, in discussing conditions with The Financial Post this week. He emphasized the "caution." The first six weeks of 1926 indicate a decided advancement in certain directions. But the proverbial Canadian cautiousness is playing a large part in trade movements, in industrial expansion, in the flotation of new enterprises.

This business caution is evident both in public, at least in municipal, as well as in private affairs. During 1925 the grand total of new borrowings was $100,000,000 below the 1924 total and this ratio of reduction is being adhered to in 1926, although savings deposits are now almost up to the high record of 1921. There may be other reasons why the municipalities are not coming into the market as eagerly as formerly, but economy is an important factor in the change. A gratifying reduction has been made in the expenditures of many of our municipalities. Some of them have cancelled outstanding obligations for a period in advance, and are living within their means. Instances of ability to reduce the tax rate have already been mentioned in these columns, and others have since been added, especially in the West.

Fewer New Enterprises

Considering the condition of the money market, the number of new company incorporations is remarkably small. Instead of launching out into new fields, there are daily new instances of consolidation and mergers, and of associations or pools to institute economies in buying. How to reduce distribution costs is becoming a very live subject to business, and the reduction of merchandising overhead is receiving careful atttention. All this is reflected more than ever in the most recent statement of the chartered banks released this week. The margin between deposits and loans is the largest on record. The ratio between current loans and total assets is almost the smallest on record. A margin of more than $415,000,000 between savings deposits and current loans indicates the caution with which business is progressing. Other causes of this situation are discussed elsewhere in the issue. Undoubtedly there are other factors, but no one will deny the importance of these.

The halting tendency in business has been discussed first. The "full speed ahead' elements show the other side of the story. Standing among these is the progress being made by mining industry. The largest trading day on record, reported by the Standard Mining Exchange in Toronto this week, shows little indication of caution in that direction. This is the most active phase of Canadian industry at the moment. Reliable advices indicate that retail business is showing greater activity after the slack period at the beginning of the year. This is especially the case in Quebec and in the West. Spring orders in some of the staple lines are more encouraging than for some years, and substantial orders have been received in some of the steel products lines. Merchandise shipments within the country are higher this year so far than for three years. Generally, there are signs of the gradual rise in business turnover. There is no boom, and no boom is expected. The expansion is being built on a sound foundation.

Ottawa Gets Bulk of Alberta Liquor Profits

EDMONTON.—More money spent on liquor in Alberta last year went to Ottawa than remained for Alberta's own treasury, according to the report of the Liquor Board. Over $2,128,000 was paid to the Dominion Government in 1925, representing customs and excise duties on liquor and spirits, taxes on beer, excise on malt and sales tax on the various productions sold. No reduction in the duty charged by the Dominion Government was made during the year, and there is little prospect, says the report, of any alteration in the retail price until such reduction is granted by the federal government.

MANITOBA PULP BUYS SITE

WINNIPEG. — Following months of negotiations, the Manitoba Pulp and Paper Company has purchased a site for its new pulp mill from Indians controlling the Fort Alexander Reserve. The price was announced to-day as $14,300.

J. D. McArthur, president of the company, also stated that arrangements have been completed for the purchase of all available pulpwood on the Indian reserve. The latter transaction will net the Indians more than $50,000.

Canada Winning Out in Fight Against Pacific Cable Board's Illegal Scheme to Spend Surplus on Duplicate Line

Press of Empire Endorses Senator Murphy's Stand and Board Now Takes Steps to Iron Out Difficulties With Canada

HISTORY TOLD OF PACIFIC CABLE ENTERPRISE

CANADA'S threat to drop out of the "All-Red" Pacific cable partnership, unless the Colonial Office politicians who run the Pacific Cable Board recognize Canada's rights, has stirred up an inter-empire discussion. Canada's stand, as voiced by Senator Charles Murphy, postmaster-general, is generally endorsed in the press of the empire.

Senator Murphy has stated plainly that Canada must be given its full legal privileges of approving or disapproving every important commitment of the cable board and must be permitted to share in the deficits as well as the profits of the cable's operation. The alternative, Senator Murphy has warned, is Canada's withdrawal from the cable enterprise.

THERE are indications that Canada's strong stand in the Pacific Cable dispute is likely to bring fruit. Public opinion, not only in Canada, but in Australia and New Zealand, has been aroused by the high-handed tactics of the Colonial Office relics who comprise, in the main, the Pacific Cable Board.

Recognizing that they have overstepped the mark in bureaucratic despotism the board has already appointed two of its members to confer with the Canadian High Commissioner in London, regarding the matters under dispute, in an attempt to iron out the difficulties.

Press Behind Senator Murphy

The strong stand of Postmaster General, Hon. Charles Murphy, has caused many columns of comment in the press throughout the Empire and his manner of upholding the interests of Canada has received commendation, as well as stimulating other governments to call the bluff of the cable board.

A resume of the history of the Pacific Cable Board will serve to indicate how Canada's position has yearly become more unsatisfactory.

The Pacific Cable was originally an Imperial project, designed to bind the outlying parts of the Empire more closely together. It had been first suggested by Sir Sandford Fleming, who felt that the C.P.R. telegraph lines across Canada should be linked with Australia by a submarine cable. Representatives of Great Britain, Canada, Australia and New Zealand met as a committee and worked out the details of the project. Canada agreed to pay 5/18 of the cost. The cable was financed by the issuance of £2,000,000 of securities by the British government. Canada agred to endorse 5/18 of the principal and interest of these securities and agreed to pay that proportion of any deficit. It was also allotted that proportion of any profit that might be earned.

Canada Met Big Deficits

The cable was opened for traffic in 1902, and for a number of years failed to earn expenses. Canada did not particularly object to meeting its share of these losses as Imperial ends were being served. The losses up to and including 1915 amounted to about $3,500,000 and Canada paid over $1,000,000 to meet her share of the deficit. Since 1915 the cable has been exceedingly prosperous and has earned large profits. The surplus now stands at about $11,000,000 and Canada's share of this is approximately $3,000,000.

With so much money on hand, the Pacific Cable Board decided to spend some of it. In 1921 it worked out a scheme to duplicate the cable from New Zealand to the Fiji Islands. Canada was consulted and put her O.K. on the project. In 1924, the board decided to duplicate the portion of the cable from the Fiji Islands to Canada. Canada was not consulted as regards this decision. Although in 1921, Canada had been consulted and the board had, in correspondence admitted that Canada must be consulted, it now took the view that it was none of Canada's business.

This was in direct defiance of all the legislation under which the Pacific Cable Board was operating, which provided that the formal assent of the various governments concerned would be necessary before any important capital expenditures could be made. The cable duplication was planned to provide against possible breakdowns, which, it was felt, might cripple the service.

Canada's Protest Over-ridden

When Canada heard of the scheme to duplicate the cable, Hon. Chas. Murphy, Postmaser General immediately protested. Through Canada's representative in London, he asked that Sir. Wm. Mercer, chairman of the board, should be notified that, before any contract was awarded, Canada would want to be consulted. The reply was brief and insulting. Mercer stated that it had never been the custom, and that it was not now intended that any of the governments concerned should be consulted previous to the awarding of the contracts.

This amazing attitude was taken in regard to the duplication of 5,500 nautical miles of cable at a cost of over $11,000,000, to be paid for out of a surplus of about that amount, although Canada's share of the surplus was $3,000,000 and although all legislation provided that Canada should be fully consulted in regard to duplications and extensions.

While the cable was losing money Canada was forced to pay over nearly a million dollars in deficits and was told that a patriotic cause was being served. When the cable became a prosperous business institution, Canada was to get no share of the profits but those profits were to be re-invested without Canada's formal approval and not to promote Imperial unity, since the duplication was not suggested on Imperial, but rather on business grounds.

The profits were denied to Canada and the other nations to reimburse them for the losses they had willingly paid in the past.

No Investigation of Beam Wireless

There were further circumstances sufficiently alarming to make the Canadian Government suspicious of the whole project. It was admitted that no investigation had been made of the new Marconi beam system of wireless, which threatened to make such cables a back number, and which has, in part, been endorsed by the British and Dominion governments in their comprehensive scheme of linking up the whole British Empire by direct wireless communication. No investigation was made of technical improvements in cable construction, and it was apparent that the board was ready without proper advice to sink $11,000,000 in a cable built on old-fashioned lines. That the scheme had first been entered into without due consideration was shown by still another fact: Following Canada's first protest, a revision of the estimates was made and it was found that the tenders that had been submitted were unduly high; which was proven by the fact that before any contracts were awarded tenderers re-

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Claim Dairy Interests Hit by Australian Treaty

REGINA.—A resolution was passed at the annual meeting of the Saskatchewan Co-operative Creameries expressing dissatisfaction with the Australian trade treaty, the directors in their report having stated the company would be represented in a delegation from Western Canada to wait upon the federal government in this connection with "the impending peril to the dairy industry of Western Canada."

HOWEY SYNDICATE HOLDERS PROFITED

Got 57 Shares for $25 Investment and Can Sell for $14,250 Now

The Haileyburians who got in on the first Red Lake Syndicate with the Howie boys and Dan Williams have cleaned a nice fortune if they have sold their interest, and have a tremendous paper profit if they have not attempted to realize on their holdings.

It is understood that for $25, the price of a syndicate interest, they have received 57 shares of stock which to-day command a market of around $265 and are getting quite scarce.

One of the Howie brothers is just out from Red Lake, and reports are that he has brought news to the effect that the property, under option to Dome Mines, is showing up better than they even expected. As soon as Howie reached a telegraph office this information was wired to Toronto and resulted in a material tightening of the market for the stock, and also a material rise, shares jumping from around $165 to $250 in one leap.

Reports are that the Red Lake district is going to be the scene of a rush in the spring that will rival that of the Klondyke. The trip is a rough and difficult one at the present for even the hardiest prospector. It is made by dog team and takes all of ten days each way. Besides this, living is a trying problem, as only tents are used.

Provincial Paper Plans to Double Pt. Arthur Mill

At the annual meeting of Provincial Paper Mills, Limited, the shareholders ratified a proposal to double the capacity of the plant at Port Arthur. This is definite indication of confidence in the future of the company and the industry. It is understood that the investment involved will probably entail a further issue of bonds, though not immediately.

Large Exploration Companies Promise to Make Speculation Much Safer for the Public

Indications are not lacking that the heavy risk the public has taken in the pioneer days of mining in Canada, and particularly in Ontario and Quebec, is rapidly passing. To-day promotion is assuming a vastly different role, and is adopting in a measure the English method of mining finance whereby big money takes the initial risk.

It is going to be difficult to eliminate the stock jobber, the miner of the public, but in the number of important and well vouched for exploration and development concerns that are springing up, and the interest in prospects that is being manifest by the large operator, a good real of confidence and hope are being placed.

Until of late the large operation has been a questionable asset in regards opening up new properties. Unhesitatingly one can place the blame on those members of the engineering profession who, finding themselves in substantial berths of comparative softness, elected to play safe, and advised against properties when there was the slightest question.

But they have been aroused. Their shareholders saw their old properties ease off, as was the case of Cobalt silvers, while others stepped in and picked up new mines. Such concerns as Huronian Belt appeared and took two mines right from under their noses. Thus the policy of the big operators as to prospects has materially changed to-day, although some of their experiences in Quebec would not go far in convincing shareholders that such was a fact.

But what is perhaps a later and more interesting development is the appearance of large exploration companies—prospectors they might well be termed—which will take up groups of properties, explore them and then, having taken the first risk, will present them to others, and through them to the public, if there is merit enough to warrant it.

Such concerns as this are going to be of great aid to the public. They will reduce very materially the risk the public has to take. It will set up a keen competition for the promoter who gathers together a bunch of acreage and proceeds to load it on the public as a mining venture of merit. It will also mean that a great deal more of the public's money will go into the ground instead of promotors' pockets.

Perhaps the most recent outstanding success along these lines has been the Noranda Co. This operation is going to help make such exploration companies very popular. Noranda's Rouyn success is an outcome of the sound work of the Canadian geologists, who for many years have been studying that section of Quebec, and it may be that as a partial reward Noranda has set an example that others may well follow. Such companies are worth studying.

Franz of Algoma Steel Studying Outlook For Steel on Pacific Coast

SEATTLE.—To study the possibilities of steel manufacturing in the Northwest, W. C. Franz is making a survey of industrial conditions in Seattle and iron ore deposits in the Puget Sound basin.

He will be aided in his research by the industrial committee of the Seattle Chamber of Commerce.

CHECK-OFF MAY MEAN NEW BREAK IN CAPE BRETON

Indications That Government Will Intervene on Basis of Report

From Our Own Correspondent.

SYDNEY. — Official Halifax is silent, but local circles close to the ministry assert confidently that the Rhodes government stands ready for intervention to secure the full fruits of the Duncan Coal Commission finding—loss of which is threatened by the new and serious flare-up between Besco and the miners.

There is little doubt the 12,000 miners of the province will vote for the rejection of the new wage contract—otherwise satisfactory— simply because the company refuses to continue the check-off of union dues. By granting a request by clergymen to continue the check-off to the churches, the company has lent color to the claim of the U. M. W. officers that Besco does not sincerely object to the principle of the check-off as such, but merely pretends to do so in the case of the wage contract with the hope that its loss will seriously embarrass the union.

The old antagonisms that died down during the Duncan probe are being fanned anew, and the industry is drifting rapidly back into the chaos of short contracts, disputes and strikes that has obtained since 1921. Everybody knows that another year of this warfare means the probable ruin of the industry—that is why government intervention is considered certain if the vote goes against the new contract next Saturday.

WHAT WILL TOP BE FOR SMELTERS?

Five Hundred Now Being Mentioned and no Information is Forthcoming

MONTREAL.—There is no news on Smelters. The market movement has long since passed the stage where any real news in expected to account for the persistent advance. Not so long ago "they said" the stock was headed for 50. It seems ridiculous with the stock at present levels to think that it ever could have been regarded as ridiculous that some people expected the stock to touch 50, but such was the case. In any event it touched 50 and headed for 100; and so on, and people have traded in it above 200 who would not have touched it below 100. Official pronouncements made the stock look high before it touched 50 dollars a share, but it has gone on and on. Its most recent mark set for it in street gossip was 250, and it came within a few points of going there this week.

If the ticker is telling the truth on Smelters, the details of the story will constitute a real romance of business, for this is the stock that was selling under twenty dollars a share a little over three years ago.

And the higher the stock goes the more optimistic the talk. Five hundred is mentioned now as the high mark with more confidence than 50 was talked of at one time. Where will it all end? Certainly there would seem to be dangers for the public in such a speculative carnival from which some protection might be tendered by the directors.

LAKE SHORE ON 40 PER CENT. BASIS

The board of directors of the Lake Shore Mines, Ltd., declared regular quarterly dividend of 10 per cent., payable March 15, to shareholders of record March 1. This is the first payment on the 40 per cent. a year dividend basis.

The New Industrial Ownership

Thousands of shareholders—including employees and customers—to-day have a part in the ownership of the important industries and utilities of the country, where half a century ago these concerns were owned and managed by a comparatively few individuals. That is the new industrial ownership. It is public ownership in a practical form and perhaps as close to the ideal as we will ever reach—and it has been brought about without upsetting our economic system or national institutions.

And this is only one phase of the new relations between employers and employees. Workers have not only been given ownership in industry through stock distribution but they have been given a say in its control through plant councils and benefits above their wages, such as pension schemes, profit-sharing arrangements, group insurance, etc.

What do these developments mean for industry and for investors, for the workers, for big and small employers of labor? These questions will be discussed in a series of articles appearing in The Financial Post. The material is being gathered from many first-hand sources. What is being done by various industrial, utility and financial concerns in Canada will be reviewed.

Every investor and every employer of labor should read these articles. The first will be found on page 10 of this issue.

MANY INDUSTRIES GAIN FROM TREATY WITH AUSTRALIA

Would Expand Market For Canadian Paper, Lumber and Fish

DAIRIES SUFFERING

But Increased Exports Will Create Larger Domestic Market for Farm Products

OTTAWA. — Is the Australian Trade Treaty detrimental to the interests of the Canadian farmer? The alleged increase in imports of butter from Australia has been made the basis of opposition to the bill. The question is the subject of much heated discussion in the House of Commons and out. Admitting that increased dairy products imports may prove a temporary problem to Canadian proucers, there is much justification for the view that the advantages in other directions will outweigh the disadvantages.

In discussing the measure in the House this week, Hon. A. W. Neill, a member from a British Columbia constituency in which there are extensive dairy interests, showed that the cost of transporting butter from Australia to Liverpool is substantially the same as from Australia to Vancouver and that the tendency must be to ship direct to Liverpool rather than to British Columbia. "A world commodity must be governed in the matter of price," said the speaker, "by the rate fixed in the world markets, and which in turn fixes the price that will prevail in any particular locality." Reference was made to reports that butter was consigned by British operators from Australia to New York, and that it was then decided to sell some of it in Canada. The Act, however, specifies that such shipments must be made on a through bill-of-lading. Hence there is no further danger from this source. When the product is shipped to New York and there diverted into separate sections for further shipment, it does not come under the new treaty. The old duty must be paid. It was urged that the Canadian product had nothing to fear in the long run, and that a possible temporary inconvenience to the dairy interests should be borne for the ultimate advantage of the country at large, the dairy interest included.

That the Parliamentary farmers are not seemingly worrying about the Australian treaty would seem to be shown by the fact that on the division in the House, this week, the Progressives voted for the treaty.

Would Help Paper Industry

There can be no doubt of the ultimate desirability of promoting trade between the different parts of the Empire. In this all parties are agreed. Our trade with Australia has declined drastically. During the fiscal year 1924 we sold approximately $20,000,000 worth of goods to the Australians, but the total in 1925 dropped to $12,037,203. It will undoubtedly be agreed that everything possible should be done to reverse such a situation. The British Columbia member referred to above produced a communication from the Powell River Paper Co. stating that "some eight million dollars were being expended in plant extension on the strength of the

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The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

MERCHANTS CARRY SMALLER STOCKS AND REDUCE COSTS

Present Distributive Policy Makes for Lowering of Overhead

Much is heard of increasing overhead costs these days, but in one important respect the cost of doing business has gone down. The size of merchandising stock is decidedly smaller than a decade ago. This lessens depreciation, interest charges, dead loss on old goods and overhead costs in general. The reduction may be attributed to the motor truck, hand-to-mouth buying and new credit policies. The movement is cumulative. It is helping to reduce costs, thus increasing consumption, and, in turn, making a further reduction in overhead.

First is the contribution of the motor truck. A leading merchant in Napanee, Ontario, stated recently that he had long since discontinued the carrying of large stocks because he could wire for goods and have them the following day. A town more than a hundred miles from Toronto is able to obtain goods from the city by motor truck almost immediately. With the rapid growth of the mileage of good roads throughout Canada, the same can be said of hundreds of towns within a reasonable radius of the distributing centres. In short, the time which elapses between the production of the goods and their consumption has been greatly reduced. The head of a leading steel corporation stated to The Financial Post recently that the overhead in the steel products business had been greatly reduced and the period between producer and consumer had been gradually reduced since the products could be obtained promptly by motor.

While the hand-to-mouth buying policy now existing was precipitated by changing prices rather than by an attempt to lower overhead costs, it had the latter result. When a consumer buys in smaller quantities, the merchant realizes that he need not carry as large quantities of the product as formerly. When he finds that a certain product is not being asked for, he naturally discontinues it or reduces the quantity in stock. In this way, stocks are cut down, and there is a reduction in overhead over all. Instalment buying seems to have had a hand in the same result. It is stated that in certain sections the deferred payment policy has had the effect of lowering the amount of money available for spending at any given time, to the extent of reducing individual purchases of necessities. This also contributes to lowering the stock carried by the merchandiser, and consequently the overhead charges.

How Overhead Costs Are Lowered

When a lower overhead is carried, a number of savings are effected. In the first place, the interest charge of the merchandiser is smaller, when he is obliged to carry less stock. The old idea of merchandising seems to have involved the principle of having on hand what a customer might ask for, so that he would not have to wait. Probably more emphasis to-day is being laid on the principle of being able to obtain the product promptly for the consumer, rather than paying interest on money to keep the stock on hand in the store.

Furthermore, there is naturally a smaller loss on depreciation. This is an especially important factor in the case of perishable and semi-perishable goods. The fruit dealer is able to reduce his loss and will be able to sell his goods at a lower price, and this is the net effect of carrying lower stock. The risk of loss and the insurance charges are also lower when the stocks are smaller. It may even be said that the percentage cost of marketing goods is lower since the goods turn over faster and each salesman can accomplish more.

All this is a very healthy trend in retail merchandising; it lowers costs: it increases consumption and makes possible a greater degree of mass production. It has probably been a factor in the low level of bank loans, and if so, it is a sign of business progress rather than of depression.

Canadian Business Indicators

INDUSTRIAL

Car Loadings—

	1926	1925
Week Feb. 6	54,898	52,983+ 3.6%
Year to date	273,802	257,334+ 6.4%

Grain Receipts—

Aug. 1 to Feb. 5	309,378,784	186,960,237+65.8%

Building—

January	4,602,743	5,614,809—18.0%

Railway Earnings—

12 Months—		
C. P. R.	$183,356,005	$182,502,156+0.4%
Oper. Exp.	143,201,229	145,274,914—1.4%
Net	40,154,775	37,227,241+7.8%
11 Months—		
C. N. R.	221,119,532	216,271,446+ 2.2%
Oper. Exp.	104,203,327	201,787,478— 3.7%
Net	26,916,205	14,483,968+85.8%

Pig Iron Output—(tons)

12 months	570,397	593,024—3.8%

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Bank Clearings—

	1926	1925
January	$1,349,306,742	$1,407,800,094—4.1%

Savings Deposits—Chart. Banks—

December	$1,318,875,483	$1,237,611,267+ 6.5%

Current Loans—By Banks—

December	903,259,725	938,711,730— 3.7%

COMMERCIAL

Balance of Trade—

	1925	1924
12 months, Dec. 31—		
Exports	$1,283,098,795	$1,070,611,616+19.8%
Imports	890,267,348	808,144,573+10.1%
Balance	392,831,447	262,467,043+49.6%

Wheat, No. 1 Nor., Winnipeg—

1926	1925
Feb. 15, $1.54	Feb. (Av.) $1.96

Cattle—(Good, Toronto)

Feb. 15, $8.35	Feb. (Av.) $6.97

Hogs—(Select, Toronto)

$13.75	Feb. (Av.) $11.80

Why Put the Skids Under Last Half Year's Business?

On what grounds is a business decline in the United States predicted for the latter half of this year? And if there are reasons for expecting a decline, to what end is the fact so widely advertised? A recent issue of Automotive Industries reprints an editorial by C. A. Musselman, president of the Chilton Class Journal Co., in which issue is taken with this policy of "putting the skids under business."

"It is always wise to be conservative and have one's house in order so that if things do not reach the standard of the optimist, it is possible to readjust expenses in order to make a profit even on a reduced volume. But is it wise to deliberately try to create an impression that business will be lean the last half of the year? No industry has ever demonstrated more thoroughly the value of optimism and energy than the automobile trade. If its manufacturers had years ago concluded that the saturation point had been reached and had ceased to expand factories and sales organizations, you would probably to-day find that our dear public would be satisfied with ten, instead of twenty million cars.

"Optimism, energy and progressive methods have sold automobiles where it was seemingly impossible to sell them. It is true that the car industry has depended—to a certain extent—for its prosperity upon the success of all business, so why don't the men—the progressive men that we have in the great automobile industry—try to stem the tide of pessimistic talk about the last half of 1926? If all business is good the first half, should there not be enough momentum, enthusiasm and prosperity to carry us along serenely the second half?

"These are questions to be considered and dealt with by everyone with large or small business interests, for we should not accept the predictions of the men who are following the lead of the few, especially when most of these predictions are based primarily on theory."

Alberta Stands Second in Growth of Buying Power

Alberta stands second among the provinces in per capita revenue from last year's crop as well as in the gain made over the previous year. Only one province, Saskatchewan, boasts a greater increase in spending power and in sales prospects for 1926. Fortunately for the more westerly province, business on the prairies is more or less of a unit. It doesn't stop at provincial borders. Many of the Alberta towns count on helping to reap the returns of Saskatchewan's bumper crop.

But Alberta's crops, if not quite up to those of Saskatchewan, made no mean showing. A current estimate of the Dominion Bureau of Statistics places the total field crop revenue at $171,912,000. Last year's was $159,759,700. A rise of more than $12,000,000 will help Alberta's business to complete its recovery.

Carrying the comparison of the two Western provinces a step farther, Alberta has the advantage in an important respect. Sometimes called the Ontario of the West, Alberta has developed farther in other branches of agriculture. While the field crop values are nearly $200,000,000 lower than those of Saskatchewan, the total farm revenue for 1925, says The Financial Post Survey, is $365,000,000 against $277,500,000 for Saskatchewan. This gives Alberta a per capita crop revenue of $462 against $456 for her eastern neighbor.

Develops Manufacturing Industries

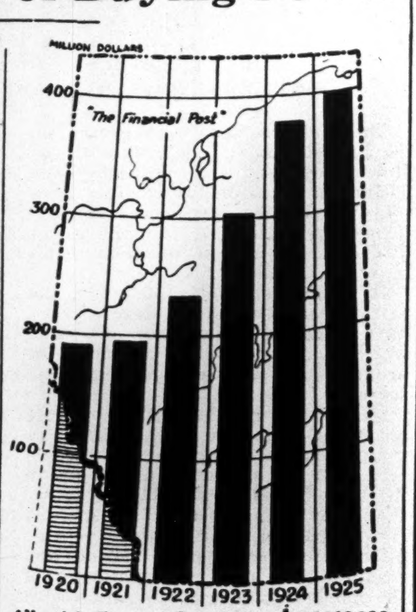
In another respect Alberta has surpassed Saskatchewan. This is the development of manufacturing industries. In 1923, the last year for which complete figures are available, there were 723 plants in Alberta, with capital of $61,659,305; 8,787 employees had a payroll of $10,633,707; materials used cost $31,612,377 and the value of the products was $54,337,801. In Saskatchewan, the value of all products was $34,337,811. Besides a number of additions to the milling units in Alberta, the beet sugar industry has made strides in the last two years, in the southern part of the province, and a number of smaller plants have sprung up in several of the towns and cities to meet some local demand. In this way, Alberta is becoming more self-sufficient and less dependent upon crops alone.

Expect Big Tourist Industry

Alberta is expecting and preparing for a bigger-than-ever tourist trade in 1926. A large amount of money has been spent on the highways during the past two years, with the realization that this will be more than recovered from the funds brought into the province by visitors. The province has an unequalled variety of scenery and different organizations are beginning to take seriously the necessity of advertising this fact to the world. Alberta has had a remarkably fine winter, and has had a larger number of winter tourists than ever before.

Building has been carried on on a fairly large scale. Permits for January in the leading cities were more than 30 per cent. greater than those of last January. The total was $76,500 against $58,820, gains being reported in all cities but one.

Altogether, retail and general business is beginning to mend measurably. The mining and lumber industries are in a healthy condition, and the development of oil properties promises large yields in the current year.



Alberta's Buying Power Now $400,000,000

Cars of Merchandise Five Per Cent. Greater

The increase in merchandise car loadings for the first week of February and for the year to date is ominous of the slowly improving business situation. The rise is steady and consistent week after week. The year's merchandise figures to date are 70,371 cars against 66,853 cars for the same period last year. Total cars loaded are 273,802 for the year to date against 257,334 for the same time last year. Next to grains, merchandise is chiefly responsible for the rise.

Of the other classes of goods shipped, there was a decline in livestock, coal and coke, lumber and pulpwood, while increases are registered for pulp, paper and other forest products, ore and miscellaneous products.

	1925	1926
Grain and products	32,638	41,103
Livestock	12,283	10,513
Coal	29,997	27,544
Coke	1,531	2,225
Lumber	13,560	14,301
Pulpwood	20,698	19,689
Pulp and paper	10,374	13,361
Other forest products	15,742	16,734
Ore	5,728	7,021
Merchandise	66,853	70,391
Miscellaneous	47,930	50,920
	257,334	273,802

Gain—6.4 per cent.

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL
AND RESERVE $1,259,430.36
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office, Winnipeg.
Branches: Saskatoon and Calgary.

THE ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter, 1727.
Capital (fully paid) £2,500,000
Rest or Reserve Fund,
(Oct., 1925) £2,464,704
Deposits (Oct., 1925).....£40,790,229
Governor:
His Grace the DUKE OF BUCCLEUCH AND QUEENSBERRY, K.T.
Deputy-Governor:
Rt. Hon. the EARL OF STRATHMORE AND KINGHORNE, G.C.V.O.
HEAD OFFICE: EDINBURGH
General Manager—A. K. Wright, C.B.E., D.L.
Secretary—J. B. Adshead.
LONDON CITY OFFICE:
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LONDON (WEST END): DRUMMONDS BRANCH, 49, Charing Cross, S.W. 1.
GLASGOW (PRINCIPAL) OFFICE:
Royal Exchange Square and Buchanan St.
Over 200 Branches throughout Scotland.
Every description of British, Colonial and Foreign Banking Business transacted.
Foreign Exchange Department at all the Principal Offices.
Correspondence invited.

Capital: $1,000,000
Reserve: 350,000
Complete Trust Service
covering
Wills and Trusts
Mortgage Loans
Real Estate and Investment
Registrar and Transfer Agents
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Saint John, N.B. St. John's, Nfld.
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23

CANADIAN BANK NOTE COMPANY LIMITED
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CORPORATION BONDS
STOCK CERTIFICATES
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AND OTHER
MONETARY DOCUMENTS
Head Office and Works
224 Wellington Street, OTTAWA
Branches
MONTREAL TORONTO

Head Office Montreal

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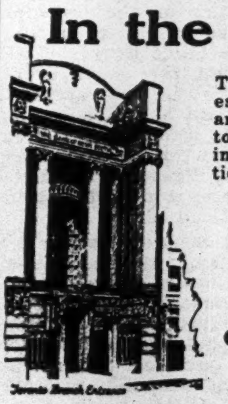
WHEN you have occasion to send Money Orders they may be obtained readily at any branch of the Bank of Montreal.
Total Assets in excess of $750,000,000
BANK OF MONTREAL
Established 1817

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
TWENTY-SIX BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.
DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; S. E. Oscarson, Fargo, North Dakota; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
A General Banking and Foreign Exchange Business Transacted.



In the Ottawa Valley—
This Bank occupies a strong position, having well established branches in every town of any imporance. Business houses having interests in this territory will therefore find our service unusually helpful in respect to collections, trade and credit information, etc.
THE BANK OF NOVA SCOTIA
Established 1832.
Capital $10,000,000. Reserves $19,500,000.
Total Assets $232,000,000.

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CHARTERED ACCOUNTANTS
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers.
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15 WELLINGTON STREET WEST
MONTREAL
TORONTO

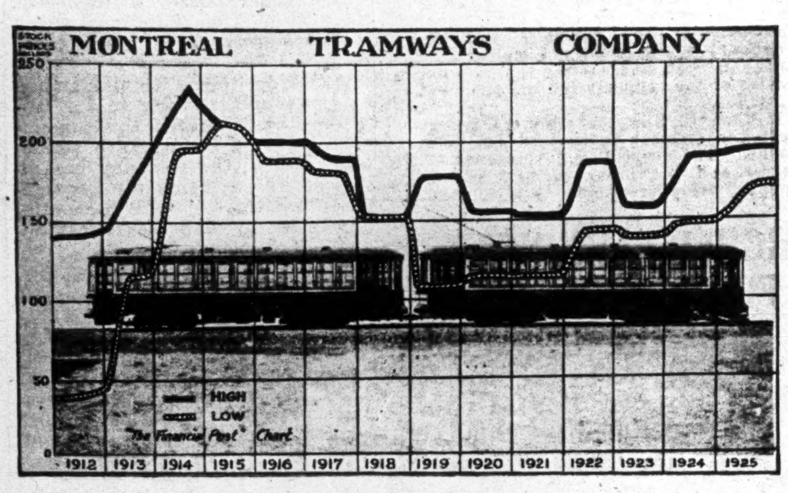
Foreign Exchange
This Bank specializes in foreign exchange. You may be sure the rates quoted by us are right, and if you are buying or selling a substantial sum let us get up-to-the-minute quotations by wire.
29
IMPERIAL BANK OF CANADA
173 BRANCHES IN DOMINION OF CANADA
Agents in Great Britain { ENGLAND—Lloyds Bank Limited, London and Branches.
SCOTLAND—The Commercial Bank of Scotland, Limited, Edinburgh and Branches.
IRELAND —Northern Banking Co., Limited, Belfast and Branches.
Agents in FRANCE—Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

Check Up Their Ratings!
It is convenient to look up a business concern occasionally, see their rating, and get a report on their standing. You do a considerable credit business, no doubt and must check up the credit standing of your customers.
BUT REMEMBER
Unless there is a good margin of security in the amount of life insurance carried, the death of an important man may bring about liquidation!
Are their assets thus secured and protected?
Are *Yours?*
It is worth while to discuss this matter. We are well posted on the subject.
Your letter of inquiry will be treated as a private communication.
Canada Life Assurance Company
Home Office: Toronto
3

Tramways An Old Investment Favorite With Some New Features

Under New Control Net Revenues Grow — Larger Surplus Must Mean Something to Investors

From Our Own Correspondent.



MONTREAL.—The stock of the Montreal Tramways Company has much of interest for investors. In the first place, earnings applicable to the common stock have mounted steadily from $461,057 in 1921 to $623,794 in 1925. This has resulted in building a considerable surplus of assets over liabilities which in the last balance sheet was apportioned as follows:

Reserve Account	$1,000,000
Maintenance and renewal reserve	94,714
Reserve for financing	355,037
Surplus	892,547
	$2,342,298

In other words then, this sum of over $2,000,000 represents undivided profits earned through the employment of the shareholders' money. Naturally, no well managed company will disburse all its earnings; the reserve must always be maintained to take up the slack in quiet times and to provide for emergencies.

Earnings Well Over Requirements

However, the fact remains that "Tramways" is earning considerably over its present dividend requirements. Shareholders and investors may question whether this betterment in earnings will be continued. It will be recalled that during the time of peak commodity prices from 1918 to 1919, the shareholders had to temporarily forego some of their dividends. These were later paid in full.

This time of high prices was a thin time for all the tramways throughout North America. Keen competition arose through both buses and jitneys, although the latter were never a competitor in Montreal. In many instances public opinion prevented an increase in fares to correspond with the tram companies increased operating costs. Consequently, extensions, betterments and renewals were delayed and the operation of tramways generally was hazardous.

Earnings Moving Upward

But apparently the corner has been turned and the public realize that, in order to provide good service, the tramways must be allowed sufficient earnings. It is more generally realized, too, that tramways companies are not simply in the street car business, but are in the business of providing urban transportation, whether it be by means of street car, bus, jitney, or by any other means of transportation which may be evolved. Again, business conditions have improved with a consequent greater gross earnings to tramways companies in general and the Montreal Tramways in particular.

Again, the Montreal Tramways was handicapped through many years by being under the rather comic aegis of E. A. Robert during that time. This handicap has not been removed through the acquisition of the control of the property by the United Securities.

The Montreal Tramways Company is controlled by the Montreal Tramways and Power Company, which in turn is controlled by the United Securities. As the Tram Power Company is a useless link in the chain it is eventually intended to liquidate it, the parent holding company will then own 52 per cent. of the stock of the Montreal Tramways Company. The United Securities was incorporated in June, 1924, for the purpose of acquiring all the companies formerly owned and mal-administered by the A. E. Robert interests. A graphic representation of the connection between the United Securities and the companies which it owned or controlled accompanies this article.

In Holt-Shawinigan Chain

The control of the United Securities is jointly held by Montreal "Power" Consolidated and the Shawinigan Water and Power Company. Shawinigan, in addition to controlling the Quebec Power Company and other power companies along the north shore of the St. Lawrence, owns outright some manufacturing concerns. From this it will be seen that Montreal Tramways now forms part of the Holt-Shawinigan group of companies. Investors in Tramways then, have reasons for congratulation in this, for these interests have made money in the past for those associated in their undertakings, and at the same time have given the public a square deal.

Taken by and large, it would seem certain that "Tramways" surplus will grow, and that eventually a way will have to be found to distribute some of the surplus earnings to the shareholders. How soon this will be, or what method of distribution will be used, is hard to say, but possibly further extensions to the company's system will be financed through new stock issues which would be distributed to the present shareholders at considerably below market levels. However, the method of distribution is immaterial—the fact remains that the company is in an excellent position and indications all point to increased earnings.

THE TRAMWAYS' CONTRACT WITH THE CITY

On January 28, 1918, the company entered into a contract with the City of Montreal, which was later ratified by legislative act of the Province. Under the terms of this agreement the company is granted the right to conduct its business in Montreal until 1953.

The contract creates a commission whose duties are to administer the terms of the contract and to impose fares which shall provide revenues sufficient to meet these requirements in the following order of priority:

1. All operating expenses and taxes.
2. Ample funds for maintenance and renewals and, in connection therewith, to create a maintenance and renewal fund of at least $500,000.
3. An annual return to the company of 6 per cent. on its capital value ($36,286,295 plus capital expenditures made subsequent to December 31, 1917), as well as 6 per cent. on all working capital required for the operation of the company; also $181,431 per annum during the life of the contract to cover expenses of financing.
4. A rental of $500,000 annually to the City of Montreal.
5. The obligation to create a contingent reserve fund of $500,000.
6. Any surplus after providing for the above to be divided as follows: 20 per cent. to the company; 30 per cent. to the city; 50 per cent. to be used to create a tolls reduction fund of $2,500,000 to be used by the Commission for the reduction of fares as provided in the contract.

The contingent reserve fund in the tolls reduction fund can be drawn upon at any time to make up any deficiency in the payments to be made to the company as a return upon its capital value.

It is provided also that in the event of any shortage of revenue arising in any year to cover the obligations mentioned above, the commission is authorized and obliged to add such shortage to the requirements of next year, and to make a fare to cover the total requirements.

The Dividend Rate

The Montreal Tramways' stock has long been regarded as one of the highest types of corporation investment, due probably to the nature of the contract between the city and its tramway company. This contract is so worked out as to practically assure a continuous payment of 10 per cent. dividend on the stock. Naturally, the dividend rate is not guaranteed, nor is it mentioned in the contract, but the effect of the agreement is to insure that the return to the investors will not be less than $10 per share annually. Incidentally, it may be more. Earnings for some time past have been in excess of the amount required to pay these 10 per cent. dividends; although there is no reason for believing that shareholders will receive an increased disbursement either by way of "rights" to a new stock issue, or other forms of disbursement, yet the earnings are there and if continued must eventually be distributed.

The terms of the agreement between the City of Montreal and the Tramways, are set forth elsewhere in this article, but there are probably investors who find difficulty in following the earnings of the company as set forth in the annual report which shows, first of all, the total revenues obtained and, secondly, the various amounts allowed under the contract; in one instance to the company, and in another to the city.

Simplification of Earnings

The contract, of course, gives priority to certain charges against the total revenues of the system; it is the deduction of these charges which, in some cases leads to confusion in the mind of the shareholder.

The following table is a simplification of the profit and loss figures which appeared in the Tramways' last annual statement. The figures show first of all the gross revenues from the operation of the road. From the latter is deducted the various amounts which the company is allowed under its contract with the city. This leaves a surplus which goes to the city of Montreal. The distribution of the amounts paid to the city is seen also. Next appears the profit and loss account of the Tramways itself. The company's net annual revenue is simply the amount allowed under the contract; from this the usual deductions are made. The figures follow:

DISPOSAL OF TOTAL REVENUES

Gross Revenues	$12,476,567
Operating and Taxes	6,323,001
Maintenance and Renewals	2,577,260
Net earnings for year	$ 3,576,306
Amounts allowed company:	
Return on Capital	2,454,845
Return on working Capital	5,707
Refinancing expenses	181,432
Operating profit	50,684
	$ 2,692,668
Surplus for City which is divided as follows:	
Annual rental	500,000
Accrued rental, unearned in previous years	383,638
	883,638

DISPOSAL OF AMOUNT ALLOWED TRAMWAYS
(Tramways Profit and Loss Account)

Allowed by contract	$ 2,692,668
Revenue outside of contract	65,704
Tramways gross revenue	$ 2,758,372
Less amount allowed for refinancing and credited to "Reserve for Financing" in balance sheet	181,432
	$ 2,576,940
Interest on bonds, loans, debentures, and other expenses	1,953,146
Net Revenue	$ 623,794
Dividends for year	400,000
Surplus for year	$ 223,794
Previous surplus	668,753
Balance in surplus account	$ 892,547

Has Got a Fund to Create

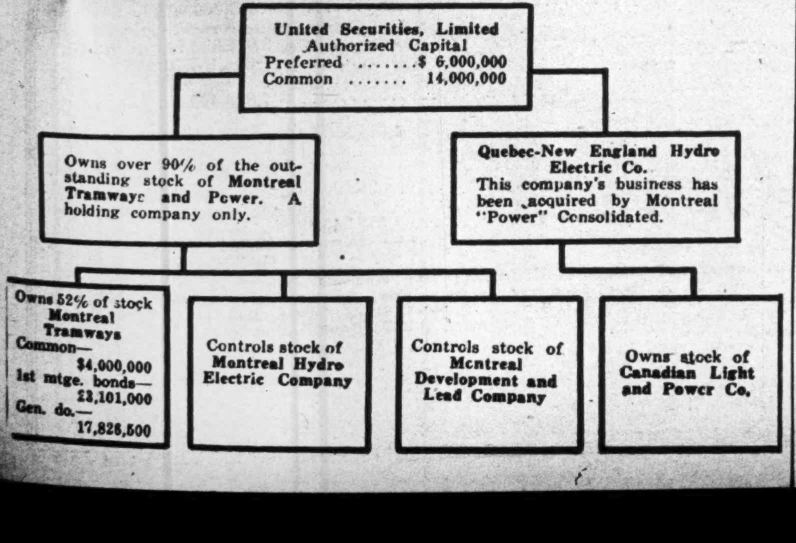
One of the final clauses of the contract provides that the Tramways shall create a contingent reserve fund of $500,000. Last year the surplus earnings which went to the city amounted to $883,638, of which $500,000 was for annual rental and the remaining $383,638 cleaned up the accrued rentals which had been unearned in previous years. In other words the company is now up to date on its annual rentals of $500,000. Next year, presuming earnings will be at least the same level, the surplus over the $500,000 will go to create the contingent reserve fund of $500,000.

The Montreal Tramways then has only to create this contingent reserve fund in order to entirely clean up its liabilities to the city as provided under the contract. When this is arranged, surplus earnings would be divided between the city and company as set forth in the contract. From the results obtained during the year ending June 30, 1925, it would seem that this time is close at hand. In other words, the company's present surplus gives indications of growing faster over the next year or two than it has in the past. If this be so, the shareholders will in some way benefit through the tramways' bettered earnings.

Now Using Buses

The Tramways Company is not only in the "street car" business; some months ago it acquired 26 buses of various makes. These have operated satisfactorily on city routes. Various types of buses were purchased to ascertain which would prove the most economical in operation in the hard usage to which they would be put during the winter months.

The Street Railway System of Montreal has been in successful operation since 1861 and the Montreal Street Railway Company, the principal predecessor of the Tramways, paid consecutive annual dividends on its capital stock for more than 30 years.


United Securities, Limited
Authorized Capital
Preferred ....$ 6,000,000
Common 14,000,000
Owns over 90% of the outstanding stock of Montreal Tramways and Power. A holding company only.
Quebec-New England Hydro Electric Co.
This company's business has been acquired by Montreal "Power" Consolidated.
Owns 52% of stock Montreal Tramways Common— $4,000,000 1st mtge. bonds— 23,101,000 Gen. do.— 17,826,500
Controls stock of Montreal Hydro Electric Company
Controls stock of Montreal Development and Lead Company
Owns stock of Canadian Light and Power Co.

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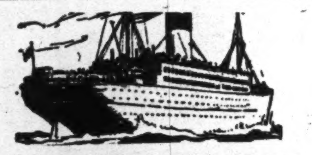
CANADIAN NATIONAL
EXPRESS
MONEY ORDERS

ANGLIN-NORCROSS
(LIMITED)
Contracting Engineers
and Builders
MONTREAL :: TORONTO


TO EUROPE
On BUSINESS
or PLEASURE

Travel comfortably and economically via the short route to Europe from Montreal or Halifax on the Cunard and Anchor-Donaldson highway.
The New Cabin Steamers of the Allied Lines, Aurania, Ascania, Alaunia and Letitia, were specially constructed for the Canadian Service and in this their first year of transatlantic service have created a wide circle of friends among ocean travellers.
Regular sailings are scheduled from Halifax in Winter, Montreal in Summer, to Glasgow, Liverpool, Plymouth, Cherbourg and London.

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Agent or write to—
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CUNARD
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CANADIAN SERVICES

Price Movements

A KNOWLEDGE of price movements will enable you to buy and sell intelligently.

OUR Monthly Commercial Letter indicates current price movements and comments upon general business conditions. It will be sent free to you on request. 39

THE CANADIAN BANK
OF COMMERCE
Capital Paid Up $20,000,000
Reserve Fund $20,000,000

NEWBOLD C. JONES
FREDERICK NEWTON
BRIAN HEWARD
JOHN D. MACPHERSON
JONES, NEWTON & HEWARD
MEMBERS MONTREAL STOCK EXCHANGE
105-106 TRANSPORTATION BUILDING
TELEPHONE MAIN 2411*.

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The Pioneer Appraisal Organization of Canada
Established 1905

DURING the past twenty years we have appraised some FIVE THOUSAND properties, all within the Dominion of Canada and comprising the most representative industrial plants in every line of industry.

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OSLER & HAMMOND
Stock Brokers and Financial Agents
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Toronto Stock Exchange
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21 JORDAN STREET - TORONTO

New Records
and
New Prices!

Graham Brothers Truck sales for 1925 were the largest in their history.

The previous record breaking year was surpassed by 123 per cent.

Such healthy increases in demand require proportionate increases in production.

Graham Brothers four factories are now equipped for larger output than ever before.

They are therefore able to give truck buyers the benefit of still further savings—

Savings that are now passed along in the form of another substantial price reduction—the fourth such reduction in eight months!

NEW PRICES
1 Ton Chassis - - - - - - $1350
1½ Ton Chassis - - - - - 1725
MBM Low Chassis - - - - 1795
f. o. b. Toronto, taxes extra

GRAHAM BROTHERS (CANADA) LIMITED
Toronto - Ontario
TRUCK DIVISION OF DODGE BROTHERS (CANADA) LIMITED

GRAHAM BROTHERS
TRUCKS
SOLD BY DODGE BROTHERS
DEALERS EVERYWHERE

Dominion and Provincial
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and
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DOMINION SECURITIES CORPORATION LIMITED
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LONDON, ENG., OFFICE
No. 6 Austin Friars
Head Office: 26 King Street East
TORONTO 2

The Securities Markets

MARKET GOES ON UP BUT THE PACE IS SLOWER NOW

No Indication as Yet of Money Supply Running Out

Market Indicator

20 Industrial Stocks	High	Low
Week of Feb. 17	94.9	90.6
Week of Feb. 10	92.2	90.3
Mth. of Feb., 1925	76.4	71.9
9 Bank Stocks		
Week of Feb. 17	$227	$225
Mth. of Feb., 1925	206	204
10 Public Utilities		
Week of Feb. 17	95	94
Mth. of Feb., 1925	86	82

Although there was some profit-taking among holders of Canadian securities during the sharp slump in some of the specialties in New York this week, and speculative favorites like Smelters and Brazilian were temporarily depressed, the general trend of the Canadian markets has continued upward, although the pace has been more moderate. Easy money is a prime factor in the speculative situation and there is no indication as yet of anything like this strain in this direction. In fact the December bank statement indicates even larger supplies of available funds for the financing of trade and industrial expansion. Current loans were reduced and savings deposits showed a substantial increase. Deposits are greater than loans by over $400,000,000, the largest surplus on record, while the ratio of current loans to total assets is about the low point of banking history. Under these conditions the supporters of the bull movement can see no reason for a reaction even though prices are not only admittedly high, but in many cases above what is reasonably justified by anything short of general prosperity.

The New York reaction came without warning. The statement of brokers' loans having failed to cause general liquidation, the position seemed to be sound for the time being at least when the failure of some of the contemplated mergers caused realizing which spread throughout the list. This was checked after some heavy losses by the specialties and substantial recoveries were noted. Opinion is now divided in Wall Street as to whether the recent set-back was in the nature of a readjustment or whether it was an early stage of a bear market. The argument favoring the former theory is that there is no indication of financial strain, while the bears take the view that there will be a reaction in some lines of business during the latter half of the year; the building industry and the automobile and some other businesses which have been expanded on the basis of deferred payments by purchasers are mentioned in this connection.

The trend of the Canadian markets is indicated by the following summary:

	Gains	L'ss	Unch.	Tot.
Banks	1	3	4	8
Paper	6	4	3	13
Steel	5	6	4	15
Foodstuffs	12	15	2	29
Utilities	7	7	3	17
Tractions	6	5	2	13
Textiles	3	2	4	9
Industrials	14	10	7	31
Totals	54	52	29	135

The Trend in Canada

Changes were mixed, but generally upward in the paper group and both losses and gains were of comparatively small proportions. This group has shared generously in the investment and speculative support lent to the market recently and has shown a substantial recovery from the slump which came with prospects of great increase in production in the next year. There is now reasonable assurance that this greater production will be absorbed and paper prices are ruling firm. Then the attitude of the provincial governments is more and more favorable to the development of the Canadian paper industry as opposed to the exportation of power and raw materials. Brompton, Laurentide, Price and Howard Smith sold higher, while Spanish and Wayagamack were easier.

With Steel of Canada remaining comparatively stationary around 100, the changes in the steel group were not general or important. Ontario Steel moved up to 75, but the Besco stocks were easier on indications of new difficulties between the company and its men in Cape Breton. Canadian Car and Dominion Bridge were both somewhat easier.

In the milling and food products group the changes were mixed. Ogilvie and International Milling were stronger, while Western Canada was unchanged and St. Lawrence and Lake of the Woods sold off. Canada Bread strengthened, but both Atlantic Sugar and B. C. Fishing were easier. Canners common held steady, but the preferred was off a point. Canadian Bakeries, and City Dairy were easier. Shredded Wheat fell 20 points to 198 in sympathy with the slump in the stocks of the proposed big food merger in the United States when it was announced that the negotiations were off. Davies was off a point following the annual statement's appearance. Western Grocers was stronger for the first time since the announcement of the reorganization program.

Brazilian continued as the feature of the traction section of the utilities group. In sympathy with the weak spell in New York there was some realizing, but the recovery was prompt and the week shows a net gain of 93. Barcelona, Duluth-Superior, and Porto Rico sold higher, but Twin City, Winnipeg Electric, and Ottawa Traction were easier. In the power section Montreal L. H. & P. went up ten points to a high of 225 before reacting moderately. Quebec Power, Jamaica Public Service, Mexican and Ottawa Power were stronger. Bell Telephone was fractionally higher, but Consumers Gas sold off a point.

In the textiles Converters and Canadian Cottons were lower, while Dominion Textile, Monarch and Penmans sold higher.

In the general industrials F. N. Burt and American Salesbook showed little change on the appearance of the annual reports. There was some realizing on the former, but a quick recovery. Canada Cement showed a nice gain for the week. Asbestos sold off. Industrial Alcohol was easier. Crows Nest coal showed some further decline on realizing following the announcement of the settlement of the coal strike. Dominion Glass gained a couple of points. Pacific Burt was strong following the appearance of the reports of F. N. Burt and American Salesbook—a gain of more than 5 points was shown. Wm. Rogers, another member of the Moore group, also sold up. Sherwin-Williams was strong, selling up to 135. Tuckett Tobacco was easier despite the strength of the tobacco stocks generally in Wall Street.

In the loan group Canada Landed sold down to 96 as compared with a high of 100 following the developments at the annual meeting when it had been expected that the sale of the company would be discussed. The bank stocks have been less active and recessions were more prominent than gains.

STERLING APPRAISAL REPORTS
CERTIFIED by REGISTERED PROFESSIONAL ENGINEERS
Sterling Appraisal Co. Limited
9-11 E. Wellington St., Toronto

Dye and Chemical Co. Shows Operating Deficit

Dye & Chemical Co. of Canada reports an operating deficit of $9,602 in its report for the year ended Dec. 31 last. Current assets at $23,139 compare with current liabilities of $55,885. Total assets are $15,400 in excess of liabilities.

President F. W. Alack says: "Due to large importations based on contracts covering 1925 requirements which had been placed before the company's products were on the market, your company was not able to go into full production on any of its lines until quite late in the year. These contracts have now been secured by your company, and, for example, it is expected that over 90 per cent. of the carbolic acid sold in Canada in 1926 will have been made in our works."

WESTERN TRUST COMPANY

Profits of the Western Trust Company for 1925 are shown in the annual report at $42,947 compared with $60,093 in 1924. Income taxes and dividends took $45,200, the balance forward being $89,594 compared with $91,847 brought forward.

Iron and Steel

COCKSHUTT PLOW FEELS BENEFITS BETTER BUSINESS

Revival in the Agricultural Industry Reflected in Report

Reflecting the market revival in the agricultural implement business in Western Canada and the substantial improvement in the business in the Eastern provinces last year, the annual report of the Cockshutt Plow Company for 1925 shows profits from operation after providing for depreciation of $313,501 compared with $64,347 in 1924. The directors decided on a drastic adjustment of outstanding accounts and wrote off $297,717, the balance being increased from $54,303 to $70,091. Following are comparative figures:

Profit and Loss

	1925	1924
Profits	$313,505	$ 64,347
Bal. forward	54,303	116,277
	$367,808	$180,624
Written off	297,717	61,671
Dividend	......	65,650
Balance	70,091	54,303
	$367,808	$180,624

Referring to the year's operations and the outlook, Vice-president F. Perry, says:

The improvement is encouraging, and it is to be hoped that prices of agricultural products are emerging permanently from the depression in relation to other prices into which they have been sunk since the war. The success of the company's business, he says, is directly dependent on the prosperity of the farmers. While business in Eastern Canada has also improved, the increase was by no means so marked as in the Western Provinces. Foreign sales, however, have reached a higher figure than in any previous year.

Collections, on the whole, have been good, and the shorter terms of credit which were introduced some time back are now beginning to show a beneficial effect in the reduction of the amount of dealers and farmers paper carried by the company, and a corresponding reduction in the company's borrowings from its banker. On Dec. 31, the company's bank loan was entirely paid up, and its trade liabilities reduced to a minimum.

That the company is now in a position to take advantage of improved conditions, including the Russian orders for tractors which have been received, has been reflected in the action of the market and the substantial advance in the quotations for the shares of this company.

PRESSED METALS NOW DOING BETTER

Annual Report Shows Profits Justifying Action in Resuming Dividends

The net profits of Pressed Metals Company of Canada, Ltd., for 1925, amounting to $17,220, compared with a loss of $124,492 for the previous year. Commenting on this showing, C. C. Peck, chairman of the board, states that the position of the company has greatly improved, all outstanding indebtedness including bank loans, mortgages and debentures having been retired, thus eliminating the heavy interest charges paid in the past. Notwithstanding that production has largely increased, prompt deliveries have been continuously made and provision is now under way to take care of new business obtainable in which it is anticipated that the company will share.

The operating profits were $64,795 and after providing $35,203 for reserve covering depreciation and $2,371 for adjustment of metal carried in 1924, the net profits were shown as previously indicated. Following are comparative figures:

Profit and Loss

	1925	1924
Profits	$ 64,795	x$50,672
Other profits	....	18,343
Adjustments	....	244
	$ 64,795	$ 32,085
Inventory red	......	22,773
Depreciation	45,203	50,975
Written off	......	18,659
Red. in metal	2,371	......
Balance	$ 17,221	x$124,492
Prev. bal.	58,125	182,617
Surplus	$ 75,346	$ 58,125

xLoss.

The balance sheet shows current liabilities of $13,111 and active assets of $176,013. Property assets total $416,537 and patent rights and organization expenses are carried at $1,922,005.

Recently the directors of the company declared a dividend of 2 per cent. on preferred stock to apply for the current quarter. This was the first dividend since December, 1920. The stock is 8 per cent. cumulative.

CAR ORDERS FOR BESCO

SYDNEY.—Although business is only fair at the Besco plants in Cape Breton, it is picking up well at Trenton, where the car shops are working on an order for 235 flat cars for the C. P. R., and also on some steel products for the same railway.

EASTERN ENGINEERING SALE

MONTREAL.—At the special general meeting the shareholders of the Eastern Engineering Company met and unanimously ratified the plan recently announced for the re-organization of the company. The sale of all the assets to a new company was authorized, and another resolution, designed to protect the equity of the inventor of the engine in the enterprise, was adopted also.

DOMINION ENGINEERING QUOTED

MONTREAL.—The shares of Dominion Engineering Company have been placed on the unlisted section of the Montreal Stock Exchange, and initial quotations were 65 bid and 90 asked. The first few years of the company's existence were lean ones, but it is now understood to be operating to capacity on some large contracts. It is a subsidiary of Dominion Bridge.

Shredded Wheat Stock Adjustment is Approved

At the annual meeting of the stockholders of the Shredded Wheat Company held at Niagara Falls last week, approval was made of the reclassification of stock whereby the 100,000 shares of common of $100 par value each will be replaced by 400,000 shares of no par value and four shares of new stock given for one of the old. The annual statement of the company was reproduced in last week's issue of The Financial Post, and showed that the net income of the company for the year was $1,391,752.

William C. Breed, of New York, was elected a director to succeed Philip T. Dodge. The president, Alexander J. Porter and the other officers of the company were re-elected.

HIGHER EARNINGS FOR WOODS MFG.; 5% ON COMMON

Sharp Rise in Both Gross and Net Earnings During 1925

From Our Own Correspondent.

MONTREAL.—The annual meeting of the Woods Manufacturing Company proved decidedly satisfactory to the shareholders, not only because of the improved gross and net earnings for the fiscal year ending December 31, 1925, but also because of the willingness of the president of the company to answer as fully as possible the questions of the shareholders concerning the progress which had been achieved.

One or two interesting points were made in answering these inquiries; it was brought out that the company's total business amounted to about $8,000,000 during the year. This figure, when compared with a total operating profit of $310,647, indicates that the textile companies in Canada are being forced to work on an exceedingly narrow margin.

In answer to other inquiries, Col. J. W. Woods said that the company's business in 1925 had increased by some 10 per cent., although about half of the total business was obtained in competition in a world market—the latter statement he amplified by pointing out that about half of the revenues come from the manufacture of bags. Purchasers who use these bags to export grain, or other products, could obtain a draw-back of the duty paid on those bags which had been purchased in other countries.

In referring to the total standing against accounts payable in the balance sheet, he declared this amount represented only six weeks business; in other words, the company has always met its payments for raw materials promptly; this will be continued in order to take the fullest advantage of discounts, etc.

The net income for the year applicable to preferred dividends amounted to $185,899, as compared with $137,878 in 1924. The sum applicable to the common stock amounted to 5.7 per cent. as compared with 1.8 per cent. in the preceding year. After paying preferred dividends, $78,918 was transferred into surplus account.

	1925	1924	1923
Oper. inc.	$310,647	$264,579	$ 12,128
Depreciation	64,195	63,870	84,765
Balance	$246,452	$200,709	x$72,637
Bond int.	‡60,552	‡62,830	48,463
Balance	185,900	$137,879	x$121,100
Prem. & exch.	....	....	†9,732
Balance	$185,900	$137,879	x$130,832
Pfd. divs.	106,981	107,299	108,255
Balance	$78,919	$30,580	x$239,087
Com. divs.	....	....	103,116
Balance	$78,919	$30,580	x$342,203
Prev. bal.	97,551	66,973	409,176
P. & L. bal.	$176,470	$ 97,553	$ 66,973

xDebit.
†Balance of premium and exchange on repayment of old bond issues.
‡And discount.

Changes in the balance sheet position show a slightly bettered working capital position. There was an increase in the property account during the year of some $50,000 due to additions to the plants. The most significant alteration in the exhibit is seen in the bank loans which fell off from $310,000 at the end of 1924 to only $15,000 in the present balance sheet.

Invest in Water Powers.

The development of our newsprint, pulp, mining and other natural resources would have been seriously handicapped but for the dependable electric energy developed by Canadian Water Power Companies.

Water Power is the lifeblood of Canadian industry. At the same time the securities of hydro-electric companies offer to the people of Canada an opportunity to invest their savings safely and profitably.

Nesbitt-Thomson & Company, Limited
305-7 Bank of Hamilton Building
TORONTO
Montreal Hamilton
Winnipeg
452

The Shawinigan Water and Power Company

THE twenty-eighth annual report of the Board of Directors of The Shawinigan Water & Power Company was submitted to the shareholders at the annual meeting held on February 16th, 1926.

The financial statement shows gross earnings for the year of $6,702,034.36 and the net $2,366,338.78 before depreciation. The corresponding figures for 1924 were: Gross earnings, $5,741,079.36; net, $2,045,899.11 before depreciation. After making the usual appropriations and paying a dividend for the first half of the year at the rate of 7% per annum and at the rate of 8% per annum for the second half of the year, the balance carried forward is $573,246.48 (subject to deduction for 1925 Income Tax).

Statement of Condition December 31st, 1925

ASSETS

Power Development		$ 8,927,828.98
Real Estate and Property		8,150,530.78
Machinery		6,386,029.20
Transmission Lines		7,992,891.78
Movable Plant and Equipment		582,870.61
Prepaid Charges		170,739.07
Securities of Subsidiary and other Companies		19,020,702.00
Accounts and Bills Receivable	$2,329,541.03	
To be received from Stock Subscriptions by Customers and Employees	744,615.41	
		3,074,156.44
Call Loans		750,000.00
Cash in Banks and on Hand		790,214.67
		$55,845,963.53

Audited and Verified—SHARPE, MILNE & CO., Chartered Accountants.
January 11th, 1926.

LIABILITIES

Capital Stock		$25,000,000.00
5% Consolidated Mortgage Bonds	$5,000,000.00	
Less: Bonds purchased and Bonds held by Trustee for Sinking Fund	1,362,000.00	
		3,638,000.00
First Refunding Mortgage Sinking Fund Gold Bonds:		
Series "A" 5½%	6,000,000.00	
" "B" 6%	5,334,000.00	
" "C" 6%	6,000,000.00	
" "D" 5½%	1,886,000.00	
" "E" 5%	1,000,000.00	
	20,220,000.00	
Less: Bonds redeemed and cancelled by Sinking Fund	709,500.00	
		19,510,500.00
Accounts and Bills Payable		314,030.83
Bond Interest and Dividend payable January, 1926		902,255.00
Employees' Pension Fund		60,000.00
Reserve and Sinking Funds	2,202,842.65	
Contingent and Insurance Funds	364,019.57	
Depreciation and Renewal Reserve	3,281,069.00	
Surplus (Subject to deduction for Income Tax)	573,246.48	
		6,421,177.70
		$55,845,963.53

Approved on behalf of the Directors,
JULIAN C. SMITH, W. S. HART, Directors.

PROFIT AND LOSS ACCOUNT, 1925

Gross Revenue from all sources		$ 6,702,034.36
Operating	$ 259,023.05	
Power Purchased	1,779,511.29	
Maintenance and Repairs	389,607.93	
Taxes and Insurance	213,551.41	
General Expense	252,876.60	
Water Storage Rentals (Provincial Government)	106,587.52	
		3,001,157.80
Balance brought down		3,700,876.56
Interest on Funded Debt		1,334,537.78
		2,366,338.78
Transferred to Depreciation Reserve		350,000.00
Net Revenue		2,016,338.78
Balance from previous year		308,157.70
Total		$ 2,324,496.48
Distributed as follows:		
Dividends for year	1,676,250.00	
Transferred to:		
Reserve and Sinking Funds	50,000.00	
Fire Insurance Reserve	20,000.00	
Employees' Pension Fund	5,000.00	
Surplus (subject to deduction for 1925 Income Tax)	573,246.48	
		$2,324,496.48

Officers—The officers of the Company are: President, J. E. Aldred; Vice-Presidents, Howard Murray, O.B.E., and Julian C. Smith; Treasurer, W. S. Hart; Secretary, James Wilson; directors, J. E. Aldred, Maurice J. Curran, Henry J. Fuller, Sir Lomer Gouin, K.C.M.G., W. S. Hart, Sir Herbert S. Holt, R. W. Kelley, Beaudry Leman, Gordon W. MacDougall, K.C., Col. G. P. Murphy, C.M.G., Howard Murray, O.B.E., and Julian C. Smith, General Manager.

Textiles

BETTER MONTREAL COTTONS REPORT FOR LAST YEAR

All Round Betterment Seen in Statement—Sharp Rise in Gross Earnings

From Our Own Correspondent.

MONTREAL.—There was an all round improvement in the annual statement of the Montreal Cottons which was submitted to the shareholders at the annual meeting for the year ending December 31, 1925.

Both in volume, and in gross and net profits, business during the year was decidedly better than in 1924. The balance sheet shows an improvement even in the strong liquid position which was displayed at the last annual meeting. After all prior charges, earnings for the year on the common stock were equivalent to 8.9 per cent.; this compares favorably with earnings of 6.8 on the common last year.

In the balance sheet the cash on hand stands at over $70,000 as compared with $53,783 at the close of the preceding year. Other changes include increases in the raw cotton on hand and in accounts payable. Secured loans are up almost $100,000 and the pension fund account has been increased by $6,000.

The President's Remarks

Sir Charles Gordon, who presided at the meeting, confined his remarks to comments on various aspects of the financial results for the period under review. He said that gross manufacturing profits were $676,000, an increase of $200,000, and that the large sum of $230,000 was written off machinery. Investment profits amounted to $63,000, as compared with $176,000 in 1924, the higher showing in the latter year being due to the fact that profits were realized on the sale of government securities.

Reserve against inventory loss, he added, was increased $60,000, so that ample provision has been made to take care of any fall in prices, should any take place. He also drew attention to the increase of $80,000 in net working capital, and considered this particularly gratifying in view of the expenditure of approximately $200,000 in cash for machinery. On the whole the year was a good one, better than 1924, and he hoped that a still better showing would be made in 1926.

The profit and loss figures and the working capital position figures follow:

	1925	1924
Mfg. profits	$ 446,329	$ 275,631
Other income	63,627	176,402
Total income	$ 509,956	$ 452,033
Bond interest	29,954	30,003
Balance	$ 480,002	$ 422,030
Bad debts	987	326
Balance	$ 479,015	$ 421,704
Taxes	....	5,647
Net income	$ 479,015	$ 416,057
Pfd. divids.	210,000	210,000
Balance	$ 269,015	$ 206,057
Com. divids.	180,000	180,000
Surplus	$ 89,015	$ 26,057
Prev. surp.	x1,125,836	1,118,655
P. & L. Surp.	$1,214,851	$1,144,712

xIncome Tax for 1924 deducted.

Working Capital

	1925	1924
Curr. assets	$4,028,863	$3,834,508
Curr. liabs.	915,698	803,006
Net work. cap.	$3,113,165	$3,031,502

MANHASSET COTTONS SELLS FIXED ASSETS

Prior Preferred Protected—2nd Preferred Exchange 10 Old for 7 New

The shareholders of the Canadian Manhasset Cotton Company have ratified the plan which was recommended by the directors for the sale of the fixed assets of their company to a new company known as the Goodyear Cotton Company of Canada, a subsidiary of the Canadian Goodyear Tire and Rubber Company. The deal includes the sale of only the fixed assets of the Canadian Manhasset Cotton Company. The outstanding capitalization of the latter is as follows:

8% 1st mortgage bonds	$150,000
7% Prior cum. pr'f'd. ($50 par val.)	233,050
8% Cum. pfd. ($100 par val.)	632,500
Common stock	1,285,200

The capitalization of the new subsidiary of the Canadian Goodyear Tire and Rubber Company is as follows:

6% 1st mortgage bonds	$300,000
7% Cum. Pfd. Stock	475,000

Bonds and Preferred Senior

The foregoing shows only the bonds and preferred stock of the new company which will be outstanding. The Goodyear Cotton Company cannot issue any securities ranking prior, or equal, to the foregoing and all the bonds and preferred stock outstanding will be handed over to the old company, the Canadian Manhasset Cotton Company, in payment for the fixed assets.

The deal means that the 8 per cent. first mortgage bond holders of the Canadian Manhasset Cotton Company will have their bonds redeemed presently at 105 with accrued interest. The sum of $157,000 necessary to pay off these bonds will be realized through the liquidation of the company's working capital which at present stands at about $190,000. After payment of the first mortgage bonds from working capital, there will remain some $30,000 to take care of shrinkage in assets or unknown expenses in the liquidation.

This will leave all the bonds and the preferred stock in a new company to take care of the claims of the shareholders of the Canadian Manhasset Cotton Company.

As the prior preferred is $15 in arrears in dividends, it will require $65 per share to retire this stock. The new bonds, which the old company will receive, will be sufficient to take care of the total claims of the prior cumulative preferred shareholders.

This leaves the $475,000 of new 7 per cent. cumulative preferred stock to settle the claims of the old 8 per cent. cumulative preferred shareholders. In other words, this means that the second preferred shareholders of Canadian Manhasset Cottons will receive slightly over 7 shares of the Goodyear Cotton Company preferred, for every ten shares which they hold of Canadian Manhasset Cottons' 8 per cent. preferred.

The new securities which the two classes of preferred shareholders in the Canadian Manhasset Cotton Company will receive are, to all intents and purposes, guaranteed by the Canadian Goodyear Tire and Rubber Company; the latter has an agreement with its subsidiary whereby it will purchase annually sufficient textiles to insure payment of interest.

MONARCH KNIT WILL SUSPEND ITS DIVIDEND

No More Payments Until the Results of the Year Are Known

Sales of Monarch Knitting Co. for 1925 showed a decrease of 9½ per cent. as compared with the previous year. No relief has been granted the industry from importations from other countries, the directors point out, but a satisfactory volume of sales has been maintained on lines that do not come into direct competition with imported goods made in countries with a lower standard of wages and living conditions. With good crops and the general improvement in business the directors hope to secure a sufficient volume of this business to enable it to operate its plants on a more profitable basis.

Net profits for the year, after providing for all charges and depreciation on plant and machinery, amount to $2,302. The reserve for depreciation now amounts to $647,149, which represents 45 per cent. of the cost value of the plant and machinery. The inventory has been taken on a basis of cost or replacement value, whichever the lower. All bad debts have been written off, and a substantial reserve has been maintained to take care of doubtful accounts.

Profit and Loss

	1925	1924
Net profits	$ 2,302	$ 17,675
Less—		
Depreciation	150,000	70,000
Pref. dividends	4,375	52,500
	x$152,073	x$104,825
Bal. forward	504,667	609,492
Surplus	$352,594	$504,667

xDeficit.

In considering the profit earning capacity of the business, the shareholders will be interested in knowing that during the past year the company paid the Dominion government $85,000 for sales and excise stamp taxes, which largely constitutes a burden on the business.

Dividends on the preferred stock were paid up to January 31 at the rate of 7 per cent. The directors feel that it would be inadvisable to consider the payment of further dividends at least until the results of the present year are sustained.

TRUSTS & GUARANTEE BETTERED POSITION

Net Profits Slightly Lower—Better Situation in the West

In the annual statement of the Trusts and Guarantee Co., estates, trusts and agency account aggregates $23,999,519, as against $22,529,562 of a year ago, an increase of $1,469,956. Guaranteed Trust funds increased from $5,913,652 to $5,961,488. The aggregate assets under administration by the company now amounts to $31,689,179, an increase of $1,507,749.

The net profits were slightly lower than those of the previous year. After deducting costs of management, advertising, general expenses, taxes, salaries, directors' and auditors' fees, the net earnings were $110,570, as compared with $113,102.

The company's holdings of Dominion of Canada and provincial bonds were $574,932, and of municipal, rural districts, telephone and school bonds and call loans, $558,406. Cash on hand and in banks amounted to $297,687.09. The aggregate of cash and readily convertible bonds held in guaranteed trust account was $1,431,025.

President J. J. Warren in his address said in part:

"During the year general business throughout Canada improved considerably. The improvement continues notwithstanding the turmoil of a Federal election and its aftermath. Canada has many and varied natural resources. All that is needed is for these to be attacked and worked. Production and production alone can enable us to pay our debts. Taxes continue to bear heavily on those engaged in any form of commercial activity—the drones escape. Undoubtedly, private enterprise is retarded on this account. Comparisons of income taxes levied by the United States with similar Canadian impositions are distinctly unfavorable to Canada. Still we have a great country and one of which we may be justly proud. Prosperity may be delayed, but it is bound to come."

General Manager E. B. Stockdale referred to the improvement in demand for western real estate, and said:

"With a continuation of reasonable crop conditions and given a fair market price for the product and with some improvement in immigration, the foreclosed real estate held by the various companies should materially lessen in the near future."

Stock Market Record

WEEK ENDING FEBRUARY 16

	Div. Rate	Yield	High for wk.	Low for wk.	Close Feb. 16	Close Feb. 9	Sales for wk.	Range 1926 High	Range 1926 Low
Banks—									
Commerce	12+1	5.79	225½	222	224	225	224	226	222
Dominion	12+1	5.98	219	217	217	217	48	219	215¼
Can. Nationale	10	6.17	..	..	..	..	..	170	160
Imperial	12+1	6.04	215	212	212	215	16	215½	211
Montreal	12+2	5.32	263	261	261	263	106	263	258½
Nova Scotia	16	5.56	287	286¼	287	286	48	287	281
Royal	12+2	5.50	254	253⅛	254	254	102	255½	248¼
Standard	12	6.00	200	199⅛	199½	199½	39	200	198
Toronto	12	5.42	221	220	220	220	205	222	213
Paper—									
Abitibi, com.	4	4.81	84¼	81	81¼	82½	8414	85½	71¼
Do. pref.	7	6.36	..	..	..	..	..	116	109¼
Belgo-Can., com.	6	6.00	100	100	100	..	10	100	100
Do. pref.	7	7.00	100⅛	99¼	99¼	99¼	479	100½	95¼
Brompton	.	....	35	29⅛	33¼	30	18025	35	26
Laurentide	6	6.85	88¼	87	87¼	86	1217	89¼	84¼
Price Bros., com.	2	2.89	70	67	69	68	865	72	57
Do. pref.	6½	6.66	97½	97½	97½	97	38	97½	95½
Prov. Paper, com.	6+1	6.93	101½	100	101½	101¼	149	101½	100
Do. pref.	7	6.73	104	104	104	104½	100	104½	100
Smith, Howard, com.	.	....	54	50⅛	52	50	1495	54¼	38
Do. pref.	8	8.08	99	98¼	99	99	159	99½	92¼
Span. River, com.	7	6.60	107	105	105	107	1370	108	102¼
Do. pref.	7	5.95	117½	117	117½	117	580	119	114¼
St. Maurice Paper	6	5.66	..	..	..	..	..	106	104½
Wayagamack	.	....	78	76	76	78	115	83	73
Steel and Steel Industries—									
B.E. Steel, com.	.	....	3	2¼	2¼	3	725	3⅛	2⅛
Do. pref. 1st	.	....	27	25½	26½	27	290	30	25½
Do. 2nd pref.	.	....	9½	8¼	8¼	8¼	2664	10¼	8
Can. Car & Found., com.	.	....	46½	45	45½	46½	74	49	33
Do. pref.	7	8.28	85	84	84	85	209	85½	73
Can. Foundries, pref.	.	....	50	49	50	50	15	50	41½
Can. Gen. Elec., com.	.	....	..	..	..	..	..	51	51
Do. pref.	7	5.88	59½	57	59	59	341	60	57
Canada Iron, com.	.	....	..	..	..	..	..	10	10
Do. pref.	.	....	40	40	40	42	53	42	40
Can. Locomotive, com.	.	....	..	..	..	..	..	35	35
Do. pref.	7	8.18	85½	83	85½	83	368	85½	73
Dominion Coal	.	....	42½	42⅛	42¼	42½	55	42½	40½
Dominion Iron, pref.	.	....	..	..	..	..	..	24	20
Dominion Bridge	4	4.32	93½	92	92	93½	415	96	80
Dom. Radiator, pref.	7	6.79	..	..	..	..	..	103	103
Dom. Steel Corp., pref.	.	....	..	..	..	..	..	24	24
Ontario Steel, com.	4	5.33	75	73	75	72½	365	75	70
Do. pref.	7	6.96	..	..	..	..	..	100½	100¼
Russell Motor, com.	.	....	..	..	..	..	..	40	39
Do. pref.	7	7.77	..	..	..	..	..	90	82
Steel of Canada, com.	7	6.93	102½	99¼	100	100	2207	102½	95⅛
Do. pref.	7	6.06	116½	115½	116½	116	152	116½	114
Milling and Foodstuffs—									
Atlantic Sugar, com.	.	....	28½	27½	27½	28½	135	32⅛	27½
Do. pref.	.	....	84	82	84	81¼	41	88	80
B.C. Fishing	.	....	64	60	61¼	64	2840	64¼	57¼
Canada Bread, com.	.	....	60	59	60	58½	160	61	58
Do. pref. (A)	7	6.36	110	108	108	110	29	110	106
Do. pref. (B)	7	7.19	97¼	97	97	97	160	97¼	96¼
Can. Canners, com.	.	....	14	13½	13½	13½	320	15	13
Do. pref.	.	....	64	63½	63½	64½	415	67¼	62
Canadian Salt	8	5.65	145	141	141½	141	146	145	131
Christie Biscuits, com.	.	....	..	..	..	..	..	63½	62
Can. Bakeries, com.	.	....	32	32	32	33	2	36	32
Do. pref.	7	7.33	95½	95	95¼	95	168	96¼	95
City Dairy, com.	12	3.94	76	73½	73½	76	320	81	73½
Do. pref.	7	6.33	110½	110½	110½	111	10	111	107
Cuban Can. Sugar, com.	.	....	4	4	4	5	25	5	3½
Do. pref.	.	....	27¼	27¼	27¼	26	5	27¼	24
Dominion Stores, com.	1.00	....	67½	67½	67½	67	10	67½	65
Do. pref.	8	6.89	116	116	116	114	15	116	106
Wm. Davies (A)	.	....	35	34	35	36	800	37¼	34
Inter. Milling, pref.	7	6.66	105	104½	105	104½	50	105	102½
Lake of Woods, com.	12	7.01	174	170	171	174	63	175	170
Do. pref.	7	6.03	..	..	..	..	..	116	116
Maple Leaf Mill, com.	.	....	77	77	77	80	10	88	77
Do. pref.	7	7.21	99	96	97	99	66	102	96
Ogilvie Flour, com.	5	2.56	195	194	195	194	56	195	175
Do. pref.	7	5.64	..	..	..	..	..	124	123½
Pure Gold Mfg.	50c	....	23½	20	22½	21	1535	23½	20
Shredded Wheat	10	4.76	210⅛	197⅛	198	218	125	218	169½
St. Law. Flour, com.	.	....	40	38½	38½	40	50	45	38½
Do. pref.	7	8.33	..	..	..	..	..	84	82¼
West. Can. Flour	8	6.95	115	115	115	115	22	115½	114
Western Grocers, com.	.	....	6¼	5⅛	6¼	5½	97	13¼	5¼
Do. pref.	.	....	56½	51	56½	55	134	64	49½
Utilities—									
Bell Telephone	8	5.69	140⅛	139½	140⅛	140	391	141	139
Consumers Gas	10	5.60	178½	178	178	179	174	180	174½
Inter. Utilities (A)	87½c	....	38½	36¼	36¼	38	155	38½	36¼
Do. (B)	.	....	..	..	..	..	..	9¼	9¼
Jamaica Pub. Ser., pref.	7	7.14	98	98	98	97½	5	98½	97½
Laurentide Power	5	4.76	105	105	105	110	65	110	105
Mackay, com.	7	5.14	137½	135	135	137	376	138½	135
Do. pref.	4	5.47	73½	72½	72½	73⅛	267	73½	72
Mexican Light, com.	.	....	30	30	30	29½	11	30	29½
Do. pref.	.	....	64	64	64	..	100	64	64
Mont. L. H. & Pr. Cons.	8	3.60	225	215	223	215	18391	225	212⅛
Montreal Telegraph	8	6.45	49½	49½	49½	49½	25	51½	49
Ottawa L. H. & Pr., com.	6	6.06	99	98	99	98	15	99	97½
Do. pref.	6½	6.19	105¼	105	105	105	141	105¼	102
Quebec Power, com.	5	4.09	123	118	122	118	1811	123	113
Do. pref.	7	6.30	111	110¼	111	110	66	116	109½
Shawinigan	8	4.57	178	170	176	170	2399	178	167½
South Can. Power, com.	2.00	2.27	90	88	88½	90	60	90½	83
Do. pref.	6	5.94	101	101	101	101	131	101	100
Transportations—									
Can. Pacific Railway	10	6.36	158½	154⅛	157	157½	1068	163	147
Can. Steamships, com.	.	....	12	11	12	11½	485	13¼	11
Do. pref.	.	....	64	62	62	62¼	3361	65	56
Tractions—									
Barcelona	.	....	29	28¼	29	28½	125	29	27
Brazilian, com.	5	5.34	94½	91½	93	92	41681	96¼	80
Do. pref.	6	6.10	..	..	..	..	..	98½	97½
Detroit Un. Rly.	.	....	3	3	3	3	312	3¼	3
Duluth-Superior	.	....	30½	30	30	29¼	75	31½	29
Illinois Tract., pref.	6	6.23	96¼	96¼	96¼	..	4	96¼	96¼
Montreal Trams.	10	5.74	..	..	..	..	..	178	174
Ottawa Traction	4+1	7.87	65	63	63½	65	104	65¼	63
Porto Rico Rlys., com.	.	....	42	42	42	41	10	42	40
Do. pref.	.	....	90	90	90	90	15	90	87
Twin City, com.	4	5.26	76¼	75	75¼	76½	587	79½	47⅛
Do. pref.	7	6.79	103	103	103	..	220	103	103
Winnipeg Elec., com.	1	....	51½	50¼	50¼	51	1755	54⅛	46½
Do. pref.	7	7.07	99	97	99	98	96	99	95
Textiles—									
Can. Conn. Cotton, pref.	4	....	..	..	..	..	..	49	46¼
Can. Converters	7	7.52	93	92¼	92¼	94	130	94	92
Can. Cotton, com.	8	6.55	122	121	121	123	70	124	121
Do. pref.	6	6.18	97½	97	97½	97½	17	99½	95
Can. Woollens, com.	.	....	8	8	8	..	10	8	8
Do. pref.	.	....	50	50	50	50	102	50	50
Dom. Textile, com.	5	5.43	93½	92	93	92¼	759	95½	91½
Do. pref.	7	5.73	..	..	..	..	..	122	119
Monarch Knitting, pref.	.	....	49	49	49	47½	10	50	45⅛
Montreal Cottons, com.	6	5.71	105	105	105	105	5	105	103½
Do. pref.	1	6.11	..	..	..	..	..	114½	112
Penmans, com.	8	4.30	186	185	186	185	275	186½	180
Do. pref.	6	5.82	103	103	103	103	3	104¼	103
Wabasso Cotton	4	6.15	..	..	..	..	..	65	65
General Industrials—									
Amer. Salesbook, com.	4	5.71	69½	69½	69½	70	10	70	64
Do. pref.	7	7.34	95¼	95	95¼	95⅛	117	95½	92
Asbestos Corp., com.	6	6.63	92½	88	90½	92½	364	94½	88
Do. pref.	6	5.21	116	115	115	116	595	116	113
Brantford Cordage, pref.	8	7.54	27	26	26½	26⅛	243	27½	26
Burt, F. N., com.	12	4.61	65	62	64	63¼	710	67	61
Canada Cement, com.	6	5.47	109¼	106	109½	106½	5960	109¼	101¼
Do. pref.	7	5.93	118	118	118	118	44	120	115½
Cons. Rubber, pref.	7	8.09	..	..	..	..	..	86½	86½
Can. Indust. Alcohol	1.28	6.74	20	18⅛	18½	20	7155	20	16¼
Crows Nest Coal	6	8.69	73	68	68½	71	195	85	51
Dom. Glass, com.	7	7.21	98	94¼	97	95	195	98	85
Do. pref.	7	6.48	108	108	108	106½	40	108	106
Eastern Theatres, com.	.	....	25	25	25	25¼	29	25¼	18¼
Do. pref.	7	7.77	90	88½	90	83	40	90	83
Famous Players, com.	.	....	18	17½	18	..	35	18	17½
Do. pref.	8	8.48	94¼	93⅛	93¼	..	445	94¼	93⅛
Gilman, com.	6	5.71	..	..	..	..	..	106	105
Do. pref.	7	6.08	115	115	115	114	10	115	113½
Goodyear Tire, pref.	7	7.23	96¼	96	96¼	97	28	97	93½
Holt Renfrew, com.	.	....	26	26	26	..	5	26	26
Do. pref.	7	8.18	..	..	..	..	..	85½	85½
Lyall Construction	.	....	38	36½	36½	36½	425	40	20
National Brew., com.	4	6.15	65	62⅛	64	63	12358	65	56
Do. pref.	7	6.48	..	..	..	..	..	110	106
National Brick, com.	.	....	..	..	..	..	..	12½	12½
Do. pref.	7	9.79	72	71	71	68½	85	72	67½
Pacific Burt, com.	6	5.51	110	104	108¼	103	165	110	90⅛
Do. pref.	7	6.42	..	..	..	..	..	109¼	102
Port Hope Sanitary, com.	.	....	85	85	85	85	55	85	74½
Rogers, Wm., com.	.	....	67	61½	63	61	170	67	45
Do. pref.	7	7.44	95	94	94	94½	40	95	90¼
Sherwin-Williams, com.	6	4.44	135	130	134	131½	520	135	128⅛
Do. pref.	7	6.16	114	113½	114	114	115	114	110½
Sterling Coal	4	....	39	39	39	39	180	39	37
Tooke Bros., com.	.	....	8	8	8	..	30	8	8
Do. pref.	.	....	60	57	57	..	115	60	57
Tuckett Tobacco, com.	4	6.25	64	62	62	65	7	65	62
Do. pref.	7	6.79	103	103	103	103	57	103	102
Woods Mfg., com.	.	....	44	40	40	38	120	44	38
Do. pref.	7	8.77	79¼	79¼	79¼	79	89	79¼	77¼
Trust and Loan—									
Canada Landed	10+1	5.69	98	96½	96½	98	126	100	95
Can. Permanent	12	5.85	205	203	205	204	106	205	202½
Central Can. Loan	12	5.71	..	..	..	..	..	210	210
Colonial Invest.	6	....	..	..	..	..	..	4	4
Hamilton Prov.	10	6.36	..	..	..	..	..	157	157
Huron & Erie	7	5.38	..	..	..	..	..	130	127½
Landed Banking	9	6.16	..	..	..	..	..	..	..
Montreal Loan	12+1	6.50	..	..	..	..	..	50	50
National Trust	12	5.00	240	240	240	240	13	240	235
Ontario Loan	11	5.23	..	..	..	..	..	105	103½
Real Estate Loan	7	8.23	..	..	..	..	..	..	..
Toronto General Trusts	12	5.33	..	..	..	..	..	225	225
Toronto Mortgage	10+1	5.88	..	..	..	..	..	93½	93½
Union Trust	7	7.77	..	..	..	..	..	..	..

THE CURB MARKET

	Div. Rate	Yield	High for wk.	Low for wk.	Close Feb. 16	Close Feb. 9	Sales for wk.	Range 1926 High	Range 1926 Low
Asbestos, com. (new)	.	....	23	21½	21½	22	639	24	20
Do. pref. (new)	.	....	65	64	64	64	10	70	62
Brit. Amer. Oil	8+2	4.85	52	50	51	51½	1928	53½	50
Can. Oil, com.	1¼	....	69	68	68	65	50	74	65
Do. pref.	8	8.00	100	100	100	100	52	100	100
Continental Oil	25c	1.08	23½	23¼	23¼	24	75	26	23¼
Dryden Power	.	....	7	7	7	7	155	7¼	6
East. Engineering	.	....	1½	1¼	1½	1½	270	1½	1
Good. & Worts	6	2.55	237	235	235	240	173	240	193
Imperial Oil	1.00	2.77	36¼	35½	35¼	36⅛	1354	38½	35¼
Inter. Petroleum	75c	2.22	34¼	33	33⅛	34¼	560	35½	31⅛
Manitoba Power	.	....	41¼	40	40	39½	433	42	24
North Star Oil, pref.	7	....	4.75	4.75	4.75	4.70	400	4.75	4.50
Simpsons, pref.	6	5.88	..	..	..	..	..	102	101
St. Maur. Power	.	....	77	77	77	77	12	78	77
Toronto R.S.	.	....	1.40	1.25	1.40	1.25	675	1.40	1.10
Volcania Oil	62c	....	..	..	..	..	..	29	28½
English Elec., com.	.	....	15	15	15	..	25	15	15
Do. pref.	.	....	59½	59½	59½	..	35	59½	59½
Beacon Oil	.	....	18⅛	18¼	18¼	18¼	535	19½	18¼
North Mex. Power, com.	.	....	50	50	50	50	65	50	50
Do. pref.	.	....	85	85	85	85	50	85	85
Paton Mfg., pref.	.	....	95	95	95	95	2	95	75
Power Corp.	.	....	27	26	26	27	155	28¼	24½
Illinois Power, pref.	.	....	97⅛	97⅛	97⅛	96¼	77	97⅛	96
St. Law. Power	.	....	43	43	43	43	305	46½	36
Pressed Metals	2	....	37	35	37	35	36	37	30
United Secs., com.	.	....	64	64	64	64	57	65	64
Do. pref.	.	....	104	103¼	104	103	116	104	103

CPTC

CANADA PERMANENT TRUST Co

20 Toronto St., Toronto

Paid up Capital $1,000,000

Acts as Executor. Trustee and Agent.

You are invited to confer with the Officers of the Company.

17

UNLISTED SECURITIES

	Bid	Asked
Brooks Steamer (1 pref, 2 com)	4	6½
Can. Machinery, com.	4	7
Can. Machinery, pref.	13	18
Can. Westinghouse, com.	157	165
Cockshutt Plow, pref.	54	57
Cosgrave Brewery	5¼	6
Dom. Combing (1 pref, 2 com.)	35	..
Dom. Power, pref.	94	97
Farmers Dairy, com.	40	..
Farmers Dairy, pref.	100	105
Gunns, Ltd., pref.	39	41½
Godfredson Truck, com.	24	26
Imperial Tobacco	6	7
King Edward Hotel, Deb. A.	75	78
King Edward Hotel, Deb. B	56	59
K. & S. Tire, pref.	11	15
Loew's Toronto, com.	25	32
Loew's London, com.	2½	3
Loew's Ottawa, pref.	10	..
Massey-Harris	69	71
Mount Royal Hotel, com.	7	8
Mount Royal Hotel, pref.	44	47
National Grocers, pref., 8%	99	102
Willard's, pref.	71	74
Loblaw Groceterias, com.	57	60
Capital Life 25% Paid	22	25
Continental Life 20% Paid	33	..
Crown Life	120	..
Empire Life	22	25
Excelsior Life 25% Paid	43	..
Great West Life	360	..
Imperial Life	190	..
Monarch Life 10% Paid	17	22

L. H. Charles & Company

INDUSTRIAL ENGINEERS

Appraisals - Audits - Valuations

10 Adelaide Street, E. Toronto

Thirteenth Annual Report of

The Waterloo Trust & Savings Company

The Directors of the Waterloo Trust and Savings Company have pleasure in submitting herewith to the Shareholders, their Thirteenth Annual Report, showing the result of the Company's operations for the past year, accompanied by the Balance Sheet to December 31st, 1925.

After providing for interest on deposits and other Trust Funds received from the public, and defraying the expenses of management, the balance available for distribution is as follows:—

Balance brought forward from 1924	$2,607.75
Net Profits for the year	76,121.78
	$78,729.53

This amount has been disposed of as follows:—

Two half-yearly dividends, Nos. 23 and 24, at the rate of 6½% per annum	$48,750.00
Dominion Government Income Tax	7,739.45
Transferred to Reserve Account	20,000.00
Balance carried forward	2,240.08
	$78,729.53

The Company experienced a steady increase in business during 1925. The total assets as at December 31st amounted to $5,213,882.56, as compared with $4,349,261.52 for 1924, showing an increase of $864,621.04 of business to be administered by the Company.

A noticeable feature for the year was the large number of new savings accounts opened, and the increased volume of Guaranteed Investment Receipts issued. Several new estates were administered by the Company, and quite a number of appointments under will received. The Company's new Bond Department is progressing satisfactorily, and should in time prove an important factor in the business.

The new investments for the year consisted mainly of a large number of carefully selected first mortgages and bonds. The tendency of lowering interest rates on mortgages and other investments naturally affects a Company's revenue, but the increasing volume of business and favorable prospects for the future should result in an additional measure of profits.

The books and vouchers for the three offices have been audited monthly, and the Auditors' certificate is attached herewith.

All of which is respectfully submitted.

THOS. HILLIARD,
President.

Waterloo, Ontario, January 26th, 1926.

Assets and Liabilities

ASSETS

CAPITAL ACCOUNT		
Office Premises, Waterloo and Kitchener, incl. safe deposit vault, etc.		$ 94,177.48
Other Real Estate		98,987.64
Mortgages		
Principal	$298,278.54	
Int. due & accrued	10,569.70	
		308,848.24
Loans on Stocks, Bonds, etc.		
Loans on Company's own stock	$14,207.19	
Loans on other secur.	74,907.53	
		89,114.72
Bonds issued by Dom. of Canada & Provs. of Canada		185,217.58
Bonds guar. by Dom. or Provincial Govt.		3,831.74
Municipal & Sch'l. Debentures		114,403.80
Other Bonds and Deb's.		42,467.98
Other Assets		1,477.04
Adv. to Est. under administr'n.		17,423.98
Cash in banks		24,324.87
Cash on hand		11,340.01
		$991,615.08
GUARANTEED TRUST ACCOUNT		
Mortgages		
Principal	$2,105,620.30	
Int due and accr'd.	54,713.90	
		2,160,334.20
Dom. & Prov. Govt. Bonds	220,955.66	
Bonds Guar. by Dom. or Prov. Govt.	191,763.53	
Municip. School & Telephone	905,059.41	
		1,317,778.60
Cash on hand and in banks		166,177.53
		$3,644,290.33
ESTATES, TRUST AND AGENCY ACCOUNT		
Mortgages	$78,339.43	
Bonds	22,309.08	
Cash on hand	32,132.36	
Inven. val. of unrealized Estates Assets	444,696.28	
		577,977.15
		$5,213,882.56

THOS. HILLIARD,
President.

LIABILITIES

CAPITAL ACCOUNT—	
Capital Paid-up	$750,000.00
Reserve Account	200,000.00
Contingent Account	15,000.00
Divids. declared and unpaid (due Jan. 1st, 1926)	24,375.00
Profit and Loss	2,240.08
	$991,615.08
GUARANTEED TRUST ACCOUNT—	
Gen'l. Guar. Trust Receipts and Debentures	$1,503,509.57
Trust Deposits	2,140,780.76
	$3,644,290.33
ESTATES, TRUST AND AGENCY ACCOUNT	
Trust funds for investment	$ 115,856.89
Advances from Capital Funds	17,423.98
Inventory Value, unrealized Estates Assets	444,696.28
	$577,977.15
	$5,213,882.56

P. V. WILSON,
Managing-Director.

PORT ALFRED PULP & PAPER CORPORATION

HEAD OFFICE:
INSURANCE EXCHANGE BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE - QUEBEC

The Mark of Quality

ROYAL RECORD
a Canadian-made Paper of regal quality
worthy for every purpose
where the printed message
must reflect
the character, stability and dignity
of the user.

Ask your Printer—he knows
HOWARD SMITH PAPER MILLS LIMITED
MONTREAL

MAPLE LEAF
BRAND
ALCOHOL
HIGHEST QUALITY-BEST SERVICE
Ethyl Alcohol—Cologne Spirits, Denatured Alcohol (All formulae)
We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the trade.
CANADIAN INDUSTRIAL ALCOHOL COMPANY LIMITED
TRADE MARK
Canadian Industrial Alcohol Co., Ltd.
MONTREAL
Distributing Warehouses
MONTREAL - TORONTO - WINNIPEG - VANCOUVER

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.
ENGINEERS, MANUFACTURERS *and*
ERECTORS *of* STEEL STRUCTURES
HEAD OFFICE AND WORKS:
Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.
BRANCH OFFICE AND WORKS:
Toronto, Ottawa and Winnipeg.
Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Atlantic Sugar Refineries
LIMITED
Lantic Sugar
General Offices
211 McGILL STREET
MONTREAL
Refineries - St. John, N.B.

Pulp and Paper

STRONG MARKET FOR NEWSPRINT IS CONTINUING

Situation is Reflected in Position of Canadian Stocks

From Our Own Correspondent.

MONTREAL.—The spot market for newsprint in New York continues strong with prices somewhat higher than the prevaling contract rate of $65 a ton. This last, however, is natural, for contract rates are always made f.o.b. mill, consequently, if newsprint were changing hands at $65 in New York, it would mean that prevailing spot prices were weak.

The strength of the market however seems undoubted; this has created a certain amount of surprise in Canadian newsprint circles for, although at the close of last year there was a phenomenal demand, yet it was thought that after the Christmas advertising rush in the U. S. had passed, the results would automatically be seen in the spot newsprint market. The falling off in orders, however, was not so large as had been anticipated. This may help to explain the market strength recently displayed by the Canadian newsprint stocks.

There have been many explanations offered as to the demand for newsprint in the U. S. None, however, appear very convincing except, perhaps, the gradual trend in the U. S. to larger and larger papers, coupled with increasing circulations. Although publishers, in most cases, have closed larger contracts for this year than formerly, they still have to resort to the spot market to supply their demands. It is this which has brought about the strength in the market.

Outlook Seems Brighter

There has been an immense increase in Canadian newsprint production. Larger increases will probably follow; for this reason in the past some investors have hesitated to purchase newsprint stocks. The situation appears to be somewhat improved and those who freely prophesied price cutting in the industry at the beginning of 1926. were wrong.

It would seem that the outlook for the future is improved, for the lesson from the past appears to be that, although large increases in production have come and are coming, these increases will not come any faster than the demand.

Incidentally, it was often predicted that many U.S. newsprint mills would have gone into other production in 1925—most of these forecasts were not fulfilled. However, this means little except that the day of declining newsprint production in the U. S. is the nearer.

The critical period for the newsprint market would seem to be towards summer, when there is always a drop in the advertising lineage in the daily papers in the States.

International Paper Starts New Machine

From Our Own Correspondent.

MONTREAL.—The International Paper Company's plant at Three Rivers, P. Q., will commence production from its fifth newsprint machine next week. The sixth machine has been erected and will begin operating in about a month's time. The installation of the last two machines, which will complete the addition to the mill, has not yet started. It is understood that the additions to the plant a Three Rivers have cost to date well in excess of $8,000,000.

Manitoba Pulp Buying Wood for New Plant

WINNIPEG.—Shipments of pulpwood at the rate of 30 to 40 cars a day for the new mill of the Manitoba Pulp and Paper Company, now under construction at Fort Alexander, are being delivered at the company's yards. It is expected that by next October when the plant starts operations there will be a supply of 20,000 cords of spruce wood on hand. This new market for wood will be a boon to a great many farmers in the surrounding country.

Brompton's Rise Traced to Market Activity

From Our Own Correspondent.

MONTREAL.—The rise in Brompton's stock from a low of 26 for this year to its present levels has drawn attention to the company and has started a rumor that the earnings for the fiscal year ending December 31, 1925, will show a very decided improvement in the forthcoming annual report which will make its appearance some time in March.

The Financial Post understands that, while earnings for the year will undoubtedly show an improvement, the betterment will not in any way prove spectacular. The rise in the stock during the past week or two has probably been caused, not through any news in connection with the company itself, but through the general market activity which has resulted in pushing up almost every stock on the board.

Rothermere's New Mill Exempt From Taxation

From Our Own Correspondent.

MONTREAL. — The Quebec Private Bills Committee has acceded to the request of the Anglo-Canadian Pulp and Paper Company and the city of Quebec for the exemption of the new newsprint mill from municipal taxation in that city. There was considerable opposition to the bill, because it was maintained that, as a principle, municipalities should not grant such exemption, and the representative from Three Rivers also contended, that if his city had held out similar advantages, the industry would have gone there. The Anglo-Canadian Pulp and Paper Company is the project sponsored by the Rothermere interests. It is anticipated that construction work on the new mill will commence in May and that the capacity of the plant will be 400 tons of newsprint a day.

(See also page 8)

Textiles

WOOLLEN INDUSTRY FEELS BETTERMENT IN PAST MONTHS

Latter Half 1925 Brought Better Conditions to Woollen Companies

From Our Own Correspondent.

MONTREAL.—From the published figures of British exports for the year 1925, it would seem that the Canadian market is absorbing a considerable portion of the output of the woollen manufacturers of Great Britain or, in other words, British manufacturers are using this country much in the same way as some Canadian manufacturers use foreign markets. They sell abroad without profit, but the added business which is obtained reduces overhead. In other words, woollens from Bradford and other British cities are, to all intents and purposes, being dumped here.

When the size of the Canadian market is considered, as opposed to the world markets in which Britain sells, the following figures in which are shown the percentage of the total woollen exports of the British Isles which came to Canada in 1925 are astonishing:

Percentage of woollens exported to Canada: In yardage 9.4 per cent.; in value 7.5 per cent.

Percentage of worsteds exported to Canada: In yardage 25.8 per cent.; in value 20.4 per cent.

The significance of these figures and their effect on the Canadian woollen textile industry can perhaps be best visualized by a comparison with the imports of worsteds into the United States during the same period. The latter amounted to but little more than half of the total imported into the Dominion, despite the fact that the population of the States is well over ten times that of this country.

Past Year Was Hard One

In speaking along these lines to The Financial Post, F. G. Daniels, president of the Paton Manufacturing Company and manging director of the Dominion Textile Company, said that the year 1925 had been marked with cut-throat competition in the woollen industry as a whole due, chiefly, to the effect of these imports on the trade.

The effect of the British competition is felt, not only through keen competition—the latter, of course, causes a serious loss to manufacturers—but viewed from another angle, that of production, the consequences are even more serious, for Canadian manufacturers thus have a higher overhead forced upon them.

The domestic producers of woollen piece goods are forced to set up their looms more frequently in order to weave new materials due to the competition from abroad. This setting up of looms in itself is a costly business, but equally costly is the effect of weaving only in short lengths which has been forced upon the industry. The shorter the length of each piece, the greater is the wastage in the manufacture.

Cutters-up and other purchasers of woollens have been doing no forward buying. This has resulted in the mills receiving only hurry-up orders for short lengths—a method of doing business which is directly traceable to the woollens entering this country from Great Britain and which results in higher costs with a consequent higher selling price for the Canadian-made fabric.

Some Companies Will Do Well

The cure for this situation lies in two directions. A higher tariff on British goods which would prevent the dumping of woven woollens; and for the future it can reasonably be expected that the raw wool market will be more stable and will prove less of a handicap than it has done in the past.

The latter has been a source of worry to manufacturers during the past four years. Prices have steadily declined with the resultant difficulties of manufacture thereby considerably increased. This last factor was specialy noticeable during the first portion of 1925 when certain grades of wool dropped from 81d. in January to 46d. by the middle of June. For those woollen companies whose fiscal year ended with the calendar year, it seems certain that the majority will reflect in their earnings the difficulties encountered in the opening months of the year. Those woollen companies whose year opened in the late spring or early summer should show materially bettered earnings, as woollen markets have maintained at least a certain degree of steadiness.

"Textiles' " Earnings Show an Improvement

MONTREAL.—The first ten months of the fiscal year of the Dominion Textile Company ended on January 31, 1926; for this period the company's earnings show an improvement as compared with the same period of the previous year. Shareholders in the company may safely anticipate increased earnings on their stock for the full year.

It should not be thought, however, that the increase in earnings for the full year will be of a spectacular nature, for while the company experienced better business, prices were lower than during the preceding year; this will have the effect of reducing the net available for dividends.

Expected That Paton Will Have Good Year

MONTREAL.—Earnings for the fiscal year to date of the Paton Manufacturing Company show a decided improvement. The company's fiscal year ends April 30, 1926. Indications point to the fact that the improved business will be maintained, so that the annual report should show decidedly better earnings on the common stock.

One of the factors which have made for the betterment in business is that the company has not been handicapped during the fiscal year by a falling woollen market such as affected every company in the beginning of 1925.

The company's plant is in first class shape and is in a position to make effective use of any better "trade winds" which may blow.

Beacon Oil is Now Traded on Toronto Market

Following close upon the listing of Lago Petroleum on the unlisted department of the Toronto Stock Exchange, it is interesting to note that Beacon Oil Common is also being dealt in in that section. F. R. Graham & Co. say:

"Beacon Oil has an outstanding capitalization of $2,412,000 preferred shares and 704,000 shares of common stock. Common stock has assets of slightly over $19 per share. Five-year record shows average annual earnings applicable to common stock of $2 per share,

"Company operates in Massachusetts, having in Everett, Mass., a refinery capable of running 12,000 bbls. crude oil per day. It is expected that, with installation of improved and extended refining facilities in June, 1926, output will show an increase of 50 per cent., with a commensurate improvement in earnings.

"A speculative flavor is given to this stock on account of the company's Venezuela holdings. Venezuela producing companies have met with great success.

"Beacon Oil common pays no dividend at present. Recently the public was given a chance to participate in the ownership of this company. 250,000 shares of stock sponsored by responsible bankers, were offered in Toronto and New York. The offering was quickly over-subscribed."

Co-operative Creameries' First Profits in 5 Years

REGINA.—Making a profit for the first time in five years, the Saskatchewan Co-operative creameries closed 1925 with a balance on the right side of $17,337, compared with a net loss of $68,000 in 1924, Out of the 1925 profit $15,727 was applied to reduce the accumulated deficit of $146,178. The directors' report stated the day was not far distant when the company would again be in a position to pay dividends.

SOUTHERN LOAN OF ST. THOMAS

In reviewing the annual report of the Southern Loan Company in The Financial Post recently, it is indicated that this was a Toronto institution. The office of the Southern Loan & Savings Company is at St. Thomas, and the company operates largely in the portion of the province surrounding that city.

DOMINION TEXTILE CO., LIMITED
PRUE
MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES, NARROW FABRICS
AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.
MONTREAL TORONTO WINNIPEG VANCOUVER

The Wabasso Cotton
Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton,
also Spinner's Fine Counts of Yarns

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LIMITED
Manufacturers of High-Grade
Knit Underwear, Hosiery, Sweaters
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General Office: Paris, Ont.
Selling Agents to Wholesale Trade:
JOHN GORDON & SON,
Toronto and Montreal
SELLING AGENTS TO RETAIL TRADE
Edward Burns Co., Ltd., Toronto, Ont.
B. S. MacFarlane, Montreal, Que.
John J. Wilson, St. John, N.B.
Bryce & Co., Ltd., Winnipeg & Vancouver.
EXPORT REPRESENTATIVES
J. J. Jardine, St. John's, Nfld.
H. W. Airey, Ltd., Auckland, N.Z.
L. C. Carrick, Cape Town, South Africa.
Hugh Scott-Young, Melbourne, Australia.
Liddell & Mitchell, Glasgow, Scotland.
Taylor & Shelmerdine, Manchester, England.
W. J. Cutcliffe, London, Eng.
W. E. Goodman, Manchester, England.

ACCUMULATIVE BONDS
The interest on amounts invested in these Bonds is COMPOUNDED half-yearly. As compared with interest at the same rate paid half-yearly, and probably spent as received, this compounding of interest means a considerably greater return to the investor. The Bonds are issued as required in sums of $100.00 and upwards. Interest commences the date the money is received. $390.60 invested in these Bonds to-day will amount to $500.00 at the end of five years.
Any further information desired will be cheerfully furnished on request.
CANADA PERMANENT 70 YEARS 1855 - 1925
Established 1855
CANADA PERMANENT MORTGAGE CORPORATION
14-18 TORONTO STREET - TORONTO, 2
Assets exceed $47,000,000.00

5% Interest Return
INVEST YOUR SAVINGS
in a 5% DEBENTURE of
The Great West Permanent
Loan Company
SECURITY
Paid-up Capital $2,414,663.00
Reserves 1,100,000.00
Assets 6,184,420.00
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Branches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

Automobile and Piano Paper
MANUFACTURERS FINANCE
CORPORATION LIMITED
TORONTO, Federal Building
AUTHORIZED CAPITAL - $6,500,000

Public Utilities

WESTERN GAS TO PAY DIVIDEND ON COMMON SHARES

Sold More Gas to More People During 1925

The report of the Canadian Western Natural Gas, Light, Heat & Power Company, to the end of 1925 covered a period of fifteen months in which the earnings amounted to $1,616,816, as compared with $951,735 in the preceding year. After expenses, payments for gas, allowances for depreciation, etc., there was a balance of $484,175 for the fifteen months compared with $12,377 in the previous twelve months. Following are comparative figures:

Profit and Loss

	x1925	1924
Sales of gas	$1,590,923	$918,597
Misc. earnings	25,893	33,137
	$1,616,816	$951,734
Gas purchased	119,216	192,753
Expenses	463,328	327,895
Written off	3,280	1,757
Interest	137,602	114,674
Depreciation	6,159	4,029
Res. for deprec.	382,920	298,249
Prov. for income tax	20,187	......
	$1,132,641	$939,357
Balance	$484,175	$ 12,377

xFor 15 months.

Reporting for the directors, C. J. Yorath, the president and managing director, says that during the period covered by the report there was a decided increase in business both in respect to new consumers and quantity of gas sold. The number of meters at the end of December was 14,535 compared with 13,204 at the end of 1924. The quantity of gas sold for the twelve months in 1925 was 2,594.999,000 cubic feet compared with 2,351,434,000 cubic feet for the twelve months of 1924.

Mr. Yorath states that in order to make use of the gas at Turner Valley, which had previously been burned, and thereby conserving for future use the gas in the company's wells, an agreement was entered into with the Royalite Company for this gas. The price is 10 cents per 1,000 cubic feet up to a consumption of 3,500,000,000 cubic feet per annum, with a price of 9 cents per thousand cubic feet for any additional quantity used.

Drilling operations have been continued by the company in the Foremost field, two additional wells having been drilled. Indications are that this field does not contain the volume of gas at first anticipated. This can only be proven by actual operations. In order to insure a sufficient and continuous supply of gas, the company constructed a separate 10-inch transmission line from Turner Valley to Calgary. This line was built by a subsidiary company and was acquired at cost. Steps are being taken to locate further supplies of gas.

In order to finance capital expenditures a second customer ownership campaign for the sale of the company's 6 per cent. preferred shares was carried on during November, with the result that 2.551 additional shares of a par value of $100 each were sold. The result of the campaign was so satisfactory that the directors decided to create a permanent department for the sale of stock, and between the 8th of December, 1925, and the 15th of January, 1926, 513 additional shares were sold. making a total of 5.016 shares out of the original authorized issue of 10,000.

The payment on March 1st of a dividend at the rate of 3 per cent. on the ordinary stock has been declared. subject to confirmation at the annual meeting.

After completing an agreement with the Royalite Co. for the purchase of gas from Turner Valley, a controversy arose with the city as to rates and the directors finally decided, in view of the possibility of increasing sales, to make a reduction from 48 cents to 43 cents net per 1.000 cubic feet. In consideration of this reduction in rates the city council agreed to a definite submission to the jurisdiction of the Board of Public Utility Commissioners. In future, therefore, all questions of rates adjustment will be submitted to the board for its decision.

Royal Securities Corp. Interested in Site

From Our Own Correspondent.

MONTREAL. — The rights to the Chute des Chats Falls on the Ottawa River have been leased to the Montreal Engineering Company, which was represented by A. G. Munich at the public auction sale of the site at the legislative buildings at Quebec, P. Q.

The Montreal Engineering Company is associated with the Royal Securities Corporation of Montreal; A. G. Munich is managing director of the Kingdon Mining, Smelting and Manufacturing Company whose mines at Galetta, Ontario, will eventually receive energy from the power site.

The bid on which the site was leased amounted to a yearly rental of $14,800. As yet no definite plans have been laid for the development of the site, and there is the possibility that it may be some time before work begins.

Public Utility Earnings

Brazilian Traction

December	1925	1924	Increase
Gross Earn.	$3,111,251	$2,443,316	$ 667,936
Oper. Exp.	1,396,883	1,039,785	357,048
Net Earn.	1,714,418	1,403,530	310,888
Aggr. Gross from January 1st	31,243,760	26,936,767	4,306,993
Aggr. Net from Jan. 1st	17,489,406	16,643,472	845,934

TELEGRAPHY NEED NOT FEAR RADIO

Mackay Companies Increase Business in Face of New Developments

As usual there is little information in the annual statement of the Mackay Companies to tell the shareholders the details of the year's operations. Income is shown at a little more than expenses and dividends and the surplus is increased by $10,569 to a total of $2,145,341. The financial affairs of the component companies are not revealed. Comparative figures of profit and loss follow:

Profit and Loss

	1925	1924
Income	$4,801,207	$4,787,286
Expenses	184,937	173,954
Dividends	4,605,701	4,601,561
	$4,790,638	$4,775,515
Balance	$ 10,569	$ 11,771
Prev. bal.	2,134,772	2,123,001
Surplus	$2,145,341	$2,134,772

The balance sheet shows total assets at $94,294,549, as compared with $93,515,172. Investments are shown at $93,837,754, as against $93,219,803, while cash, etc., less dividends payable, amounts to $456,795 as against $295,368. A new item of sundry accounts payable appears in the liabilities, being shown at $768,808. Capital and surplus make up the other liability items, there being $50,000,000 of preferred stock and $41,380,400 common stock.

In his remarks to shareholders President Clarence H. Mackay says, in part:

It is interesting to note that the gross receipts of the companies engaged in the commercial telegraph business in the United States continue to increase, notwithstanding that the competition which they have been called upon to meet from other communications' media becomes increasingly vigorous and comprehensive. This steady increase in gross receipts should put at rest the fears of some that developments in other forms of communication will, in some mysterious manner never fully explained, eliminate telegraphy as the foremost means for the rapid interchange of intelligence.

During 1925 the telephone industry, which has been pursuing a very aggressive policy for years, made greater efforts than ever before, and with a service improved technically and widened in scope, pushed to the utmost its activities for the development of long distance telephone service. At the same time, the post-office department accomplished a number of innovations and developments which considerably improved the mail service and attracted increased public confidence and patronage, at least in so far as its more speedy services were concerned. An outstanding achievement in this respect is the "air mail," which, during 1925, passed from the realm of experimentation into that of practicability. Then there is the competition of the radio in trans-Atlantic and trans-Pacific communication, which is a development of the past five years.

The competition of these other agencies of communication has served merely to supplement the activities of the telegraph and cable companies in educating the public. both industrial and social, to the utility of fast, accurate communications. The result is not surprising to those who have spent years in aiding in the development of the industry. It is an immutable law of the art that anything which helps one form of rapid communication, or encourages it, helps and encourages all the others, the degree of help thus gained differing only according to the ability of the individual medium to take advantage of the situation created, and this, in the final analysis, is its ability to serve the public in the most efficient manner.

Hamilton Will Control Competition of Jitneys

HAMILTON.—Whatever else will be contained in the new street railway agreement it is a certainty that one clause will provide for the elimination of all competition. London and Windsor have already taken action to drive competing bus services out of existence and members of the council here accept as a fact the claim that no street railway can operate successfully in the face of bus and jitney competition.

QUEBEC SOUTHERN ADDS TO LIST

MONTREAL.—In a recent drive for new customers, the Quebec Southern Power Corporation and its subsidiary company added an additional 400 names to the list of power consumers in its territory.

BETTER CONDITIONS NOW IN THE WEST

But One Good Year Not Enough to Allow General Liquidation of Debts

WINNIPEG.—Net profits for 1925 by the Northern Mortgage Co. were $101.373. according to the sixteenth annual report. In the absence of G. V. Hastings, president of the company. the chair was occupied by D. K. Elliott. He pointed out that, while the past year had been a good one for Western Canada. enabling many farmers to liquidate at least partially their debts. it took more than one such year for the improvement to be reflected materially upon the books of a mortgage company dealing largely in farm loans. The directors had. however, made ample provision against real estate to be acquired and also for doubtful loans, and commence the present year, in addition to this special reserve of $184.972. with a balance at credit of $111.205.

Dealing with the question of the special reserve, the directors' report says:

"The situation is improving and prospects are good, but, bearing in mind that the realization on the large amount of properties foreclosed must be gradual, if fair prices are to be obtained, your directors have approved of the transferring from the general profit and loss account the sum of $100,000 to a reserve as against real estate acquired, and the sum of $85,000 to be added to the existing reserve for doubtful loans, making the latter reserve an even $100,000. With the provisions that have already been made out of past earnings for both properties and loans, it may be unnecessary to make use of either of these reserves, but your directors feel that it is wisest to make most ample provision for contingencies."

SHAWINIGAN HAD A BANNER YEAR; RECORD PROFITS

Gross up Almost $1,000,000 —Earnings on Common Over 9%

From Our Own Correspondent.

MONTREAL.—The annual report of the Shawinigan Water and Power Company for the year ending December 31, 1925, shows the immense strides which the company has made in recent years in the acquisition of other companies and additional plants; these have combined to produce a record gross revenue for the year of $6,702,034, an increase of almost $1,000,000, over 1924.

The net operating revenue stood at $3,700,876, an increase approximating $400,000 for the year. In addressing the shareholders at the annual meeting, the president, J. E. Aldred, pointed out that bettered net revenues might be expected in the future, due to the contracts which the company has recently closed. These contracts will put to improved and more profitable use the power which the company generates.

Immediately after the annual meeting the shareholders, in order to provide for the requirements of further financing, authorized the directors, from time to time, to dispose of a further $5,000,000 of capital stock.

Balance Sheet Position Better

Not only was the year a good one as far as profits were concerned, but the working capital position has been materially bettered. There were many changes in the balance sheet; these revealed increased assets in power developments, real estate, transmission lines, accounts receivable, cash and especially was the increase noticeable in the securities held in other companies; the latter showed an increase of close to $2,000,000. Changes in the liability side of the exhibit were of a minor character with the exception of the increase in various reserves.

The profit and loss figures together with the working capital figures over the past three years follow:

	1925 $	1924 $	1923 $
Gross earn.	6,702,034	5,741,079	5,110,539
Op. exp., etc.	3,001,157	2,420,528	1,939,646
Net on rev.	3,700,876	3,320,551	3,170,892
Bond int.	1,334,537	1,274,652	1,189,332
Balance	2,366,339	2,045,899	1,981,560
Deprec.	350,000	350,000	350,000
Net inc.	2,016,339	1,695,899	1,631,560
Dividends	1,676,250	1,400,000	1,400,000
Surp.	340,089	295,899	231,560
xPrev. surp.	308,157	229,070	159,253
Total	648,246	524,969	390,813
Res. & S. F.	50,000	50,000	50,000
Fire in Res.	20,000	20,000	20,000
Pens. Fund.	5,000	5,000	5,000
P. & L. Surp.	573,246	449,969	315,813
P. C. on Com.	9.02	8.48	8.16

xAfter adjustments.

Working capital position as at December 31 compares as follows:—

	1925 $	1924 $	1923 $
Cur. assets	4,614,370	2,967,870	2,231.299
Cur. liab.	1,216,285	1,317,892	1,126,168
Net W. Cap.	3.398 085	1.649.978	1,105,131

The President's Remarks

The president added some supplementary remarks to those contained in the annual report.

He announced that the company recently made a contract for 23,000 horsepower to be used by the Belgo mill at Shawinigan, and that the Aluminum Co. at Shawinigan Falls, in addition to a large augmentation of their hydraulic power, has made a contract for 10,000 h.p. The whole of this load is to come from the plant at La Gabelle.

He stated that the report does not fully reflect the wide ramifications and extent of the company's business, the total volume of which, including subsidiary companies. is about $16,000,000, of which $3,300,000 is the turnover of the chemical companies.

Referring to the increase in purchased power he explains that this is due to the power which was purchased from the St. Maurice Power Company as a result of placing in full operation the power plant of that company at La Gabelle.

A large amount of construction work was carried out by this company and its subsidiary companies during the year. The principal works were the construction of a new terminal station in Montreal and improvements and extensions to the transmission lines and distribution facilities for the large industries in Three Rivers, as the increased loads demanded by the paper industries aggregating about 25,000 horsepower required new transmission lines and new switching stations.

A new contract for power having been made with the Montreal Light, Heat & Power Consolidated, calling for the delivery of a large additional amount of power over the next several years, necessitated the construction of the new terminal station.

Mr. Aldred also makes reference to the success of the Quebec Power Company in improving its business and to the fact that the total gross output in kilowatt hours of the Shawinigan company for the year was 1,520,339,180. The peak load for the year was 340,000 horsepower.

Following this in the report are references to the operations of some of the company's subsidiaries, which are developing in an encouraging way, maintenance and repairs and public relations, the latter referring to municipalities with which the company does business, and credit is given to the growth of the pulp and paper industry for adding materially to the volume of business.

Mention is also made of the affiliated companies taken over by United Securities in connection with which "considerable work has been done during the year to correct the somewhat complicated conditions involved in these organizations."

TWINE FACTORY TO BE STARTED ON THE PRAIRIE

A Manufacturing Plant Has Been Secured at Portage

WINNIPEG.—The beginning of a new industry is announced by the shareholders of the Manitoba Cordage Co., with a capital of $300,000. They have been engaged for a long time testing samples of hemp grown in Manitoba in the mills of Belfast, Ireland, and other points, and have every assurance that the Manitoba grown product will make as good a manufactured article as any in the world. Many of the most prominent citizens of Winnipeg are among the shareholders in the enterprise, including the following directorate: A. E. Grassby, president; Col. R. H. Webb, vice-president; E. F. Hutchings, J. M. Carruthers, W. T. Kennedy, A. O. Marrin and D. A. Wood. All these are men of outstanding ability who have made a great success of their own business.

Factory at Portage

A factory building has been secured at Portage la Prairie for temporary purposes where the hemp can be made ready for manufacturing, according to the Free Press. It was necessary to have this building close to where the hemp is grown, on the Portage Plains, to save the freight haul on the bulky product; and it may be the directors will later locate the main factory in Winnipeg. It is the intention to first manufacture the various classes of commercial twines in general use, and to later develop along the lines best suited to the needs of the consumers.

This season a field man will be employed, at the joint expense of the Manitoba department of agriculture and the company. He will choose the land and satisfy himself if it is in a proper state of cultivation. He will also inform the farmer the time to harvest the crop and when the hemp is sufficiently dew retted.

As one of the old established financial institutions of the Far West we offer an investment experience that covers the entire life of British Columbia.

In bonds, mortgages, real estate and insurance we have a broad perspective as well as a close up view of the present.

Correspondence is invited.

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The Security Life Insurance Company

OF CANADA

Reports a Year of Substantial Progress

	1920	1925
Insurance in force	$4,513,132.00	$9,005,208.00
Cash Premium Income	112,648.46	222,053.72
Interest Income	11,101.41	30,818.19
Gross Assets	299,405.95	812,138.46

SALIENT FEATURES OF 1925 STATEMENT

Insurance Increased	20%
Receipts Increased	11%
Expenses Decreased	10%
Assets over Liabilities Increased	41%
Reserves for the protection of policyholders are now	$699,109.00
The Assets of the Company are	812,138.46

The Company made excellent progress in broadening its agency forces.

The Security Life Issues Only "All Guaranteed Policies"

We have openings in good districts for reliable agents.

Full information and complete copy of the financial statement will be mailed upon application.

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PROVINCIAL OFFICE: 292 ST. JAMES STREET, MONTREAL

W. W. Hiltz, President, Ex-Mayor of Toronto

W. O. McTaggart, B.A., Managing Director

W. W. Cooper, Supt. of Agencies and Assistant Manager

Hon. L. A. David, K.C., M.P.P., Provincial Secretary of Quebec, First Vice-President

The Real Estate Loan Company of Canada, Limited

BALANCE SHEET AS AT 31st DECEMBER, 1925

ASSETS

Real Estate held for sale		$ 58,227.90
Loans on Mortgages— Principal	$1,216,505.11	
Interest due and accrued	31,337.93	1,247,843.04
Loans on Stocks and Government Bonds		5,064.04
Dominion of Canada Victory Loan	15,134.86	
Canadian Municipalities, School Districts and Rural Telephone Debentures	91,714.49	106,849.35
Cash in Chartered Banks	45,127,90	
Cash in hands of Agents in Great Britain	8,611.96	53,739.86
		$1,471,724.19

LIABILITIES

TO THE PUBLIC		
Sterling Debentures and Accrued Interest thereon	$ 598,242.87	
Currency Debentures and Accrued Interest thereon	55,595.41	
Open Accounts and Provision for Accrued Taxes	4,457.33	$ 658,295.61
TO THE SHAREHOLDERS		
Capital Stock Subscribed $500,000.00		
Capital Stock fully paid	500,000.00	
Rest	265,000.00	
Contingent Fund	25,000.00	
Dividend No. 78, payable 2nd January, 1926	17,500.00	
Dividends Unclaimed, etc.	239.50	
Profit and Loss Account	5,689.08	813,428.58
		$1,471,724.19

PROFIT AND LOSS ACCOUNT—For the Year Ending 31st December, 1925

Interest paid and accrued on money borrowed	$ 34,442.27
Expenses of money borrowed and lent	3,292.58
Cost of Management and Directors' Compensation	15,866.99
Government and Municipal Taxes paid and accrued	5,827.67
Dividends Nos. 77 and 78	35,000.00
Balance carried forward	5,689.08
	$100,118.59

Balance forward, 31st December, 1924	$ 3,983.21	
Less: Voted at Annual Meeting to President and Vice-President	1,200.00	$ 2,783.21
Income from Interest on Investments		97,335.38
		$100,118.59

E. L. MORTON, Managing Director.

AUDITORS' CERTIFICATE

We have audited the books and accounts of the Real Estate Loan Company of Canada, Limited, for the year ended 31st December, 1925, and have verified the Cash, Bank Balances and Securities of the Company. After due consideration, we have formed an independent opinion as to the position of the Company. In our opinion so formed, and according to the best of our information and explanations given to us, we certify that the above statements set forth fairly and truly the state of affairs of the Company and are in accordance with its books. All transactions of the Company that have come within our notice have been within the powers of the Company.

S. W. BLACK
H. J. WELCH, F.C.A.
Auditors

Toronto, 19th January, 1926.

Pulp and Paper

PROVINCIAL CO. ENTERS SELLING FIELD IN WEST

Subsidiary Formed — Good Report Submitted for 1925

A prosperous year in the paper industry is indicated in the annual report of the Provincial Paper Mills, Ltd., which shows manufacturing profits of $1,045,493 for 1925 compared with $878,012 in 1924. With a small income from other sources the company was able to provide for bond interest $300,000 for depreciation and $70,000 for taxes in addition to $364,000 for dividends and leave a balance of $222,299 to be added to the surplus, which now totals $936,240. Following are comparative figures from the profit and loss account:

Profit and Loss

	1925	1924
Man. profit	$1,045,493	$878,012
Other profits	14,810	8,755
	$1,060,303	$886,767
Bond interest	83,905	97,963
Depreciation	300,000	280,000
Bad debts	99	8,025
Bond discount	20,000	13,023
Taxes	70,000	50,000
	$586,299	$437,756
Dividends	364,000	329,000
Balance	$222,299	$108,756
Prev. balance	713,921	605,165
	$936,220	$713,921

Bank Loan Paid Off

The working capital position shows substantial improvement, net working capital at the close of the vear being $1,580,108, against $1,471,320 last year. Current assets are reported at $2,115,867, against $2,108,286, and current liabilities at $535,759, against $636,966 at the close of 1924. Inventories for the past year are higher at $1,203,516, against $1,198,467, while cash on hand is also higher at $222,103, against $164,968. In this year's balance sheet an item which appeared last year among the current liabilities under the term of bank loans, $150,000, is absent, while accounts payable this year are shown at $418,509, against $404,716. Among other assets this year is shown an item entitled investments $346,739, against $50,856 last year.

New Company Acquired

About December 1, the company purchased the shares of the John Martin Paper Company, with warehouses in Winnipeg and Calgary, and a sales office in Edmonton. It is the intention to continue the sale in the West of various grades of paper in addition to those made by the company. For this purpose a new company has been formed—Provincial Paper Sales, Ltd., all the shares of which are owned by Provincial Paper Mills. As the result of the foregoing development, the payment of the balance due on the head office of the company and the purchase of $20,000 of the company's bonds for sinking fund there was considerable increase in the investment account which now stands at $346,739.

Paper Mills to Obtain Increasing Benefits

From Our Own Correspondent.

MONTREAL.—That in attacking the Australian Trade Treaty, Canadians are losing sight of the advantages which have been gained, was the main point in a statement given out by Edward Beck, secretary of the Canadian Pulp and Paper Association. Mr. Beck said in part:

"In opening up the markets of Australia to Canadian newsprint, the agreement has already demonstrated that it is a good thing for Canada, even though it has only been in operation for a few months, and it is altogether probable that its advantages in this respect will materially increase as time progresses.

"Since the agreement came into effect in October last, over 8,000 tons of paper, having a value of approximately $500,000, have been shipped to Australia from the eastern and western paper mills of Canada, which, but for the agreement, could not possibly have been sold there. Contracts have also been closed for over 20,000 additional tons, having a value of well over $1,125,000. Unless an uncertainty is projected into the situation as a result of politics, Canada's prospects are exceptionally bright for an expanding market, since Australia consumes over 125,000 tons of newsprint a year. Manufacturers of fine papers have also shared in the benefits of the agreement and stand to do so in greater measure if its terms are adhered to. In addition, two new paper mills, involving the investment of millions and promising employment to hundreds of workmen, are projected for British Columbia as a result of the opening up of the Australian market and these, in all probability, will not be built if the agreement is abandoned."

Sir Herbert Holt Chairman Port Alfred Corporation

From Our Own Correspondent.

MONTREAL.—Announcement has been made that at a meeting of directors of Port Alfred Pulp and Paper Corporation held in Montreal, Sir Herbert S. Holt was added to the board, of which it is understood that he will be chairman.

Sir Herbert was recently elected to the Presidency of the new St. Maurice Valley Corporation and this new appointment is considered further evidence of his increasing interest in the pulp and paper industry. Sir Herbert's other directorates include the presidency of the Royal Bank of Canada and Montreal Light, Heat & Power Consolidated.

NEWSPRINT PRODUCTION

NEW YORK.—The production of newsprint in January in the United States, amounting to 140,000 tons, was the greatest quantity of any January, and compares with 129,442 tons in January, 1925. The output of Canadian mills for the month was 139,688 tons, also a record, against 121,605 a year ago.

Wayagamack Head's Trip Arouses Expansion Rumors

From Our Own Correspondent.

MONTREAL.—The trip to England of C. R. Whitehead, president of the Wayagamack Pulp and Paper Company, was immediately connected with expansion in the company's newsprint output. However, it seems more probable that the president of the company is simply taking a rest from his labors, which of late have been more than ordinarily heavy, due to the erection and completion of the company's new newsprint plant.

PORT ALFRED PULP IN STRONG POSITION

Balance of $263,089 Carried Forward After All Deductions and Preferred

Financial statements of Port Alfred Pulp & Paper Corporation as at Dec. 31, 1925, just available for publication, reveals a strong position and indicates that the corporation has made substantial progress during the year.

Profit and loss statement shows $806,816 available for bond interest—or over three times the amount required for bond interest during the year. It is interesting to note that earnings for 1925, resulting from the sale of sulphite pulp only, are more than sufficient to carry the two newsprint machines now nearing completion, leaving all the earnings from newsprint available for dividend on common stock. Total fixed assets are shown in the balance sheet at $8,951,881, while working capital totals $1,319,744. Liberal amounts have been written off for depreciation and depletion. After all deductions and after preferred dividends, the balance carried forward was $263,089. Profit and loss statement and balance sheet are as follows:

Gross profits from operation		$921,935
General and administration expense	$ 63,518	
Bank and other interest	51,600	
		115,119
Available for bond interest		$806,816
Bond interest	$254,365	
Depreciation	109,000	
Depletion	130,357	
Pref. div. paid	47,945	
		541,668
Net profit for year, available for common stock (subject to income tax)		$265,147

The balance sheet of the company shows total assets of $12,014,833 of which the largest item covers mill properties, plant and equipment including construction, equity in housing properties, timber limits and leases. This totals $8,951,881. Current assets are $2,919,507 and deferred charges $143,144. On the other side of the balance sheet current liabilities total $1,599,763.

ABITIBI SECURITIES ARE IN KEEN DEMAND

Expectation of Good Annual Report Boosts Prices Says Wall Street Organ

Both the bonds and the stocks of the Abitibi Power and Paper Co. have been in strong demand of late in the New York market by investors who are expecting a favorable annual report of the company. The capital structure consists of $2,354,000 first mortgage 6 per cent. bonds, $3,447,000 general 6s and $3,414,900 consolidated 8s, followed by 10,000 shares of preferred and 250,000 shares of common stock. The 1925 statement, according to the Wall Street Journal, is expected to show at least $8 a share after all charges. The stock is selling high, says this authority, in anticipation of a larger dividend, and possibilities of merging with other paper companies in that region, notably Spanish River Pulp and Paper Co.

Abitibi operates on a very conservative policy, says the article, and may not increase dividends until its 8 per cent. bonds are retired. They are non-callable, are not due until 1931, and bondholders are loath to part with their investment, as they realize the difficulty of obtaining so high a return on another investment equally sound. Furthermore, the issue matures at 110 and investors are assured of that price irrespective of market conditions. There is a sinking fund calculated to retire $300,000 bonds annually at price up to 110, but there are none available around these figures and present quotation in the over-the-counter market stands 110 bid, none offered.

The company's business is the manufacture of pulp and paper and it also generates and sells a large amount of electric current. Its power plants at present are capable of developing nearly 60,000 continuous horsepower. Properties are on the Abitibi River and the company has a lease until 1962 on 1,000,000 acres in this region suitable for manufacture of pulp. Included in its operating units are two sulphite mills, a ground wood mill and a newsprint paper mill, the latter having an annual capacity of 160,000 tons.

Sixes Will be Retired

First mortgage serial 6s are a first lien on the entire property and will all be retired by 1934. The general 6s of 1940 are second in security but, the first mortgage issue being small, they virtually represent an additional first mortgage obligation. The eights are a junior lien. The amount authorized is $14,000,000, of which $3,414,900 are outstanding, $6,293,500 reserved to retire prior liens and $1,684,500 reserved for corporate purposes.

Further consolidated mortgage bonds for refunding purposes may be issued at such interest rates as directors may determine but not exceeding 8 per cent. Bonds reserved for corporate purposes may be issued when earnings for previous twelve months have been four times interest charges on entire funded debt issued and to be issued. In view of the company's strong position it is extremely unlikely to issue bonds again with such a high coupon rate. The earnings for the five years ended 1924, show an average of about five times annual interest charges. Earnings for 1924 showed net of $3,760,047 and last year's net is expected to exceed $4,500,000.

ABITIBI BREAKS RECORDS

The Abitibi Power & Pulp Co.'s little house organ, "Broke Hustler," is jubilant over the smashing of all former production records at the Abitibi mill, which throws a sidelight on what has been happening in the stock recently. On Feb. 5, No. 2 machine made a new record of 82.06, the previous figure being 80.15 made on Jan. 27. On Feb. 6, the weekly average was made up to 526.20, an advance of three tons over the previous record. On the same day a new Saturday record of 528.47 was made.

Fifteenth Annual Report

of the Directors of

THE CANADA NATIONAL FIRE INSURANCE COMPANY

To the Shareholders:

Your Directors beg to present for your consideration their Fifteenth Annual Report, as well as the Statement of Assets and Liabilities and Revenue and Expenditure Accounts for the year ending December 31st, 1925, certified by the Company's Auditors.

While general business conditions did not show that degree of improvement that was rather confidently believed would be experienced in 1925, yet it may be said that the year as a whole witnessed quite an appreciable change for the better in general business and finance.

Following a world-wide depression extending over a number of years, however, it was hardly to be expected that a re-adjustment to normal conditions would take place in a matter of a year or so. In other words, it was felt that the transition to better times would be gradual, with a slow but steady improvement from year to year.

While our Dominion was blessed with one of the most bountiful crops in its history, and is greatly enriched thereby, the real benefit derived from the creation of this new wealth was not felt until the closing months of the year, and in fact, as a considerable portion of the returns from the 1925 crop have not yet been disbursed to the farmers, the present year will probably feel its beneficial influence in a more marked degree than the year just closed.

Financial institutions, in general, owing to the unusual conditions met with in the past few years, have been unable to report that measure of progress enjoyed in pre-war years. With the reassuring outlook, however, a new spirit of hope and confidence has arisen that the prolonged period of unrest, uncertainty, and depression is about to be replaced by a cycle of prosperous years.

Probably in no other business is the character of the times more clearly reflected than in the fire insurance business. Without making special reference to the results in the United States and other countries where the losses have been unusually heavy during this period, we have but to look at the record of fire losses in Canada covering the past four years: 1922, $48,746,000; 1923, $34,619,250; 1924, $33,319,609;; 1925, $30,580,090 (estimated).

With the fire situation in many other countries much similar to that which has maintained in Canada, it will be readily seen that the general situation has been most unusual, and that it is a fair indication of abnormal times.

After a brief review of the fire insurance situation, your Directors, in submitting the following data of the Company's business for the past year, are pleased to report that the results showed a gratifying improvement over the returns of the previous year.

The gross amount of new business written by the company in Canada in 1925 was $18,870,631.00, an increase of $1,718,532.00 over the 1924 figures, while the gross premium income in all fields of operation totalled $828,267.86. Re-insurance premiums amounted to $81,679.80. The company's gross insurance in force at December 31st, 1925, was $33,507,846.00, the premiums on this business amounting to $445,814.15. Re-insurance in force at the close of the year on Canadian risks totalled $9,643,960.00, while the premiums thereon were $121,768.15. Net insurance on Canadian business in force at the end of the year amounted to $23,863,886.00.

In the more or less uncertain and disturbed period through which our country has been passing, it has been necessary to exercise more than usual care and discretion in the underwriting department of the company. With the anticipated improvement, however, in general business conditions, it is confidently believed that there will be a material reduction in the national fire waste.

The item, Mortgage Loans, stood at $1,529,695.49. These loans are upon improved city properties and farm lands, and it is encouraging to note that payments of interest and principal have been well met.

Stocks and Bonds stood at $191,759.87, while the item, Head Office Premises remains unchanged from 1924 figures. Agents Balances, which stood at $30,124.35, showed a favourable reduction of $6,224.39. Balances retained by Foreign Treaty Companies amounted to $182,344.72. Cash on hand and on Deposit totalled $152,492.18. Total Assets stood at $3,028,462.97.

Paid-up Capital amounted to $1,894,008.78. Government Reserve for Unearned Premiums, in all fields of operation, was $227,103.47; Re-insurance Premiums (held as Reserve on Deposit with the Company's Foreign Treaty Companies) totalled $45,659.40.

Profits from Mortgages, Stocks and other sources amounted to $103,248.48, while total Net Fire Premiums for the year, after deducting cancellations, rebates and re-insurance, reached the large sum of $746,588.06, which brought the total Net Revenue up to $849,836.54.

With a view to further strengthening the financial position of the company, your Directors, in keeping with the policy followed by many of our prominent companies, deemed it sound business to transfer the sum of $40,000.00 from the surplus profits of the year to the Contingent Reserve, bringing that fund up to $240,000.00.

After providing for the amounts necessary for the purpose of the Government Reserve, and taking care of other obligations, your Directors, keeping prominently in mind the wisdom and desirability of maintaining the financial strength of the company up to a high standard, decided that it was in the best interest of the company to further conserve the resources of the company, and accordingly, the balance of the surplus profits amounting to $41,038.03 was carried to the Net Surplus. This fund, which is known as the Net Surplus to Shareholders, now stands at $383,561.47. The combined Net Surplus and Contingent Reserve amount to the large sum of $623,561.47, which is 32.92 per cent. of the company's paid-up capital, compared with 28.64 per cent. for the previous year. Net Surplus to Policyholders showed a gain of over $41,000.00 and stood at $2,277,570.25. These figures speak for themselves and indicate clearly the present strongly entrenched position of the company, from the standpoint of the policyholder as well as the shareholder.

With the marked improvement in the European situation which has developed during the past year, largely as a result of the efforts of diplomats from the leading countries of the world to stabilize conditions and effect a better understanding among the nations, with the ultimate goal, permanent peace, the outlook from an international standpoint is brighter and more hopeful than it has been for some years. The return of the British pound sterling to par, will also have a beneficial effect in influencing capital to Canada for investment purposes. Then again, the agricultural situation throughout the Dominion has considerably improved of late, and this fact, combined with a vigorous immigration policy in which the British and Canadian governments as well as the transportation companies are co-operating, should give an added stimulus to business in all lines.

Your Directors are, therefore, very sanguine as to the outlook in business for the present year, and are confident that the next Financial Statement will show that material progress has been made during the current twelve months.

Your Directors wish to express their warm appreciation of the support and co-operation of the Shareholders in placing with, and influencing to the company a substantial amount of business during the past year. They also wish to again record their appreciation of the splendid efforts of the staff and the agents of the company in all its fields of operation.

E. L. TAYLOR,
President.

Winnipeg, February 9th, 1926.

All the retiring members of the board were re-elected, and at a subsequent meeting of the newly-elected board, Mr. E. L. Taylor, K.C., was elected president, Messrs. W. J. Boyd and F. H. Alexander were elected vice-presidents, and Mr. W. T. Alexander, managing director.

THE CANADA NATIONAL FIRE INSURANCE COMPANY

Financial Statement, 31st December, 1925

ASSETS

Mortgage Loans on Real Estate and Accrued Interest		$1,529,695.49
Stocks and Bonds (at cost) and Accrued Interest		138,151.84
Canadian Victory Bonds with Accrued Interest		53,608.03
Real Estate—Head Office Building	$ 329,518.97	
Real Estate—Other than Head Office Building	582,772.08	
		912,291.05
Office Furniture and Fixtures, Maps and Plans, less depreciation		9,861.17
Accounts Receivable		19,894.14
Balances retained by Foreign Companies		182,344.72
Agents' Balances		30,124.35
Cash on Hand and on Deposit		152,492.18
		$3,028,462.97

LIABILITIES

Government Reserve for Unearned Premiums		$ 227,103.47
Losses Unpaid (in course of Adjustment)		10,899.42
Accounts Payable		49,988.31
Balance due on Mortgage Loans		73,227.51
Reinsurance Premiums (held on Reserve on Deposit)		45,659.40
Contingent Reserve Fund		240,000.00
Loss Reserves—Foreign		104,014.61
Capital Stock—subscribed $2,050,400.00		
Capital Stock—Paid Up	$1,894,008.78	
Net Surplus	383,561.47	
		2,277,570.25
		$3,028,462.97

REVENUE

Balance brought forward from 1924		$ 776,153.23
Profits from Mortgages, Stocks, and other sources		103,248.48
Fire Insurance Premiums	$ 828,267.86	
Less Reinsurance thereon	81,679.80	
		746,588.06
		$1,625,989.77

EXPENDITURE

General Expenses, Salaries, Commissions, etc.:—		
Loan and Investment Dept.	$ 33,283.85	
Fire Department	296,140.01	
		$ 329,423.86
Losses and Adjustment Expenses	$ 463,768.51	
Less Reinsurance Recoveries	52,783.46	
		410,985.05
Depreciation written off Furniture and Fixtures, Maps and Plans, etc.		2,734.93
Maintenance of Real Estate		13,804.15
Contingent Reserve Fund		40,000.00
British Return Treaty Portfolio		138,614.43
Special Loss Reserve—Foreign		79,762.41
Reserve for Unearned Premiums	$ 227,103.47	
Net Surplus	383,561.47	
		610,664.94
		$1,625,989.77

AUDITORS' REPORT

TO THE SHAREHOLDERS:—

We beg to report that we have audited the books and accounts of the Canada National Fire Insurance Company for the year ending December 31st, 1925, and have found them properly stated and sufficiently vouched. We have verified the cash on hand and on deposit, the mortgages and other securities. In our opinion the Balance Sheet presents a correct view of the state of the Company's affairs as at 31st December, 1925, according to the best of our information and the explanations given us and as shown by the books of the Company. The final report of the Company's London Auditors on Foreign business for the year 1925, not having been received, the figures contained in the Reports received from the Company's London Agent have been incorporated in the statement.

(Sgd.) D. A. PENDER, SLASOR & CO.,
Chartered Accountants.

Winnipeg, 9th February, 1926.

Public Utilities

BELL TELEPHONE EARNINGS WERE BELOW DIVIDENDS

Year's Operations Resulted in Small Deficit—Capitalization Increased

From Our Own Correspondent.

MONTREAL.—The income account in the annual report of the Bell Telephone Company for the year ending December 31, 1925, shows that the company's claims for increased tariffs appear to be justified for, after making all necessary charges, the amount remaining in profit and loss account was less than dividend requirements to the extent of $8,712, this amount being the total deficit on the year's operations.

It is interesting to note that this deficit resulted with an allowance for depreciation which the company maintains is inadequate and it is on this question that the application for increased rates is based.

The balance sheet reveals, as usual, a strong financial position. The amount invested in plant and equipment has been increased during the year by over $13,000,000, and the amount of securities outstanding has moved upward by $15,260,306. The reserve for depreciation has been increased by $1,423,745, and the surplus shows an increase of some $38,000.

The President's Remarks

The president's report to the shareholders which accompanies the annual statement says that there was a net gain of 52,473 new stations, the largest in the history of the company.

In dealing with the necessity for a revision of rates, C. F. Sise, the president, points to the tremendous growth in telephone service during the past ten years. The number of telephones in use has considerably more than doubled — in fact, in the principal cities telephone stations are nearer three times as numerous as in 1915. Thus, the report points out, in keeping with the long recognized telephone principle, unit costs per instrument have risen also. This contention seems reasonable; it would appear obvious that, as a city like Toronto now has 154,740 phones as opposed to 58,336 in 1915, these phones will be put to more frequent use, and the costs of linking up the additional exchanges will also tend to increase the cost per telephone.

The report goes on to state that the rate of depreciation, which the company has been allowed since 1921, has been 5.7 per cent., but that engineering reports on the system indicate that this rate is insufficient to protect the investment in plant.

Wider Stock Distribution

At the commencement of the year, 59 per cent. of the employees eligible to subscribe for stock had filed subscriptions, and at the close of the period covered in the report, 70 per cent. of those eligible were subscribing for stock. This enlargement of employee ownership is in line with the general wider distribution of stock amongst the company's customers. At the close of 1925, there were 13,310 names on the shareholders' list as compared with only 3,489 in 1920.

The results of the year's operations are seen in the profit and loss figures for the past three years which follow:

	1925 $	1924 $	1923 $
Oper. rev.	26,168,977	24,208,411	22,225,714
Do., Exp.	20,271,031	18,671,615	16,886,632
Net oper.	5,897,946	5,536,796	5,339,062
Uncollec. rev.	114,686	108,657	89,485
Taxes	1,091,056	1,032,482	982,320
Oper. inc.	4,692,204	4,395,658	4,267,277
Non-Oper. rev.	787,903	719,482	695,876
Gross inc.	5,480,107	5,115,140	4,963,153
Rent, etc.	114,089	95,189	86,019
Interest	1,485,565	1,252,854	1,067,376
Net inc.	3,880,453	3,767,097	3,809,959
Dividends	3,889,166	3,215,039	3,135,921
	x8,712	552,057	674,038
Balance			
Emp. Bft. Fd.	....	....	200,000
Surplus	x8,712	552,057	474,038
% Earned	....	9%	9.5%

xDeficit.

British Columbia Electric to Issue Preferred Stock

The British Columbia Electric Company will shortly issue $1,500,000 in new stock for public subscription, according to advices released by the Vancouver office of the company. Although full details of the issue are not yet available, it is understood that the stock will be 6 per cent. preference, and will include the company's power and gas properties. All the company's financing in the past has been carried on in England.

British Columbia's huge public utility expects and is preparing for a considerable expansion in demand for its services during the next few years. On the mainland, alone, about 3,000 new houses are being built each year, and the demand for electric current both for household and for commercial purposes is increasing rapidly. The company's operations now extend over an area of 820 square miles and serve 350,000 people with light, power, transportation and gas. The company has a capital investment of $70,000,000 in the province.

The electric railway system of the company consists of four city lines, Vancouver, Victoria, New Westminster, and North Vancouver, and of four interurban lines on the mainland, including the Fraser Valley lines to Chilliwack. This 76-mile railway is one of the longest interurban lines in Canada. It serves the fertile Fraser Valley farming district, providing freight and transportation to New Westminster and Vancouver for the dairy farmers of that section.

Four years ago the B. C. Electric embarked upon plans for extension of service and plant capacity which involved a total capital expenditure of $17,000,000. Included in this estimate is the amount being expended on what is known as the Alouette-Stave development now under construction and expected to be added to the company's power lines by the end of 1916.

When finished, sufficient power will be available to care for commercial and residential requirements of Vancouver and district for the next 20 years.

Further details in connection with the new issue, it is understood, will be announced shortly.

ST. MAURICE POWER HAD $807,386 INCOME

Annual Report Shows Creditable Start Made in Accumulation of Reserve Fund

The annual statement of the St. Maurice Power Co., Ltd., issued this week presents the first profit and loss account figures issued by the company. After a period of rapid development the company reports total income of $807,386 for the calendar year 1925. After all charges, bond interest was earned by a substantial margin as a beginning of the surplus account, and a start has also been made in the building up of reserves.

The profit and loss account shows revenue of $798,000 from power sales while other income brings the total to that shown above.

From this came the following deductions: Operating expenses, $37,473; maintenance and repairs, $19,371; taxes and insurance, $20,550; general expenses and salaries, $21,912; water storage rental, $56,723; interest, $650,000. Payment of interest on bonds for the year left a credit balance of $11,356, $11,000 of which was set aside in reserve for contingencies, the surplus shown for the year being $356.

The balance sheet portion of the exhibit is interesting in that the values of property and plant are established, the former being shown $7,704,497 and generating plant at $9,519,133. Total assets are $17,525,150, other items being as follows: Deferred charges, $7,894; materials and supplies, $23,723; accounts receivable, $2,324; deposit with Quebec government, $4,931; call loans and interest, $241,000; and cash, $21,644. The only liabilities outside of stock, bonds, reserve and surplus are accounts payable, $42,690 and accrued interest, $270,833.

The profit and loss figures for the year are shown as follows:

Revenue from power sales	$798,000
Other income	9,386
Total income	$807,386
Operating expenses	37,473
Balance	$769,913
Maintenance and repairs	19,371
Balance	$750,542
Taxes and insurance	20,550
Balance	$729,992
General expenses	21,912
Balance	$708,080
Water storage rental	46,723
Balance	$661,356
Interest	650,000
Net revenue	$11,356
To contingent res.	11,000
Surplus for year	$356

AMERICAN SALES BOOK REPORTED HIGHER PROFITS

Year's Results Best in History Excepting Only 1920

Excepting only 1920, the results of the operations of the American Salesbook Company for 1925 were the best in the company's history. Profits amounted to $593,111 before depreciation, which compared with $463,059 for the preceding year. The year's surplus was subject to deduction of federal income taxes on the year's profits and also some additional taxes on the previous year's earnings which had not yet been finally determined. General conditions in the United States are described as good and the prospects for 1926 excellent. Following are comparative figures from the profit and loss account:

Profit and Loss

Net profits	$593,111	$463,059
Less:—		
Taxes	29,536	36,295
Bond interest	60,000	25,897
Depreciation	84,916	100,778
Patents	50,000	50,000
Prem. on red. bonds	......	16,200
Pref. dividend	215,131	215,131
Com. dividend	122,932	122,932
	562,515	567,233
Balance	$ 30,596	x$104,174
Prev. balance	48,752	152,927
Surplus	$ 79,348	$ 48,753

xDeficit.

President S. J. Moore in his report to the shareholders states that lines of products recently added have increased the company's business materially. This, The Financial Post understands, refers to Wiz registers and supplies and new lines of continuous interfolded forms for billing machines. The company is constantly on the watch for changes and improvements in bookkeeping and accounting systems, particularly in relation to the merchandising of goods, as these are constantly involving new forms for billing and loose leaf ledgers. It is the company's business to keep alive to the changes taking place and keep its products up to date. Its success in this regard has been one of the big factors in its progress from year to year.

The balance sheet shows assets of $6,245,997. Reserves for depreciation amount to $1,118,961 and there are other reserves of $14,720 in addition to the surplus of $79,348.

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Co., for the period Feb. 1 to Feb. 7, totalled 9,275 tons, and for the year to date 50,726 tons.

BURT COMPANY'S YEAR WAS VERY BEST IN HISTORY

Company Conserving Cash in View of Building Program

The most successful year in the history of the F. N. Burt Co., Ltd., is shown by the annual report for 1925, which has just been received by the shareholders. The profits of $801,040 before depreciation compared with $574,657 for 1924 and $594,257 for 1923. The company paid taxes of no less than $254,035 and after allowing liberally for depreciation and paying preferred and common dividends there was a balance of $51,299 which increased the surplus to $1,146,404. President S. J. Moore, in submitting the report, states that business in the United States was active during most of the year. It is understood that so far as Canada is concerned business has shown improvement with perhaps even better relative prospects looking to the future than in the case of the United States. Amount set aside to cover depreciation was less than in previous years because a considerable part of the plant has been fully depreciated.

As an indication of the burden of taxation being borne by the company it may be pointed out that over the four-year period from 1918 to 1921 the government levies required 58 cents for each $1 paid in dividends to the shareholders. The total tax payments, including $100,000 reserve set aside during the past year, amounted to $614,062 for the four years. Municipal taxes were in addition to this. Mr. Moore points out that important benefits will result from the greater concentration of manufacturing operations, additional land for this purpose having been purchased during the past three years, and it is proposed to construct the necessary buildings during 1926.

Dividend Prospects

Favorable as the report was, hopes were held by not a few who have purchased the stock recently that a further increase in dividend would be indicated. Probably because of this, there was some realizing indicated in the stock following the publication of the report. However, this was well absorbed. That the policy in the future may include a little less liberality towards the shareholders on the point of dividends, would seem to be a logical conclusion from Mr. Moore's reference to the building program. It would seem to be only sound business for the company to conserve liquid assets during such a period of expansion and reconstruction.

Following are comparative figures from the profit and loss account:

Profit an Loss

	1925	1924
Net profits	$801,040	$574,657
Less:—		
Taxes	254,035	44,437
Depreciation	162,122	208,585
Patents	25,321	24,996
Pref. dividend	12,293	24,930
Com. dividend	295,970	236,905
	$749,741	$539,853
Balance	$ 51,299	$ 34,804
Prev. balance	1,095,105	1,060,302
Surplus	$1,146,404	$1,095,106

Included in the assets in the balance sheet is an item of $250,000 being the balance of sale price of the company's paper cup department, which is payable in five annual instalments beginning 1928, principal and interest guaranteed. In connection with this it may be explained that after building up a profitable business in paper cups the company found that this business was becoming highly competitive and that it was advisable to take advantage of a favorable offer to purchase. The company's experience altogether in this branch of the business has been favorable for the shareholders.

Preferred Being Exchanged

A further reduction in the outstanding cumulative preference stock is indicated. This issue now totals $119,500 compared with $342,500 a year ago. It was originally $2,000,000. This stock carried the option of transfer into common stock. Holders are now entitled to four shares of the new common stock for one share of preferred. The adjustment in case of transfer is automatic so far as the books of the company are concerned, as the new stock is issued as the old shares are turned in. Practically the whole of the issue has now been transferred with the exception of some blocks of shares held in estates.

The company's assets total $5,657,568. The reserves include $180,000 for federal taxes, $1,343,143 for depreciation and $1,146,403 surplus. Current assets are shown at $1,679,818 and current liabilities $238,022.

Sask. Co-operative Expand Elevator Space

The directors of the Saskatchewan Co-operative Elevator Company have decided upon the immediate construction of a 900,000 bushel addition to the terminal transfer elevator of the company. Completion of this addition will give the company 2,000,000 bushels of storage space at Buffalo and a total storage space at Port Arthur and Buffalo, of 17,100,000 bushels. This will give the farmers of Saskatchewan control over more terminal and country elevator storage space than any other grain handling organization on the continent.

The new unit will include 27 circular grain tanks; 18 inter-space tanks, and 20 outer-space tanks, an additional shipping leg will be erected, also scale and car spouts. A third shipping belt will be added, which will increase the elevator's shipping capacity to cars by 50 per cent. An office building will be erected by the company on the elevator site. Provision was made in the first unit of the Buffalo elevator for workhouse equipment of sufficient power to take care of the storage addition, which is now being added.

Will Develop Claim On the Bull Dog Lake

WINNIPEG.—A charter for a $1,000,000 mining company, known as the Solo Mining Company, has been granted by the provincial government of Manitoba. The company has been formed in connection with the Solo claim on Bull Dog Lake, which immediately adjoins the Oro Grande mine, which for a time was under development by the Anglo-Canadian Explorers, Ltd. In connection with the development, work has been done on both claims, $150,000 having been spent, the greater part on the Solo property. A shaft has been sunk on the property to a depth of 300 feet, and the results show high grade ore.

Of the million dollars' worth of shares on the Solo, $250,000 are held by Winnipeg residents, 250,000 by Mrs. J. A. Stephenson and Dyson P. Smith, and lesser amounts by W. Shore, mining broker, W. Dowdell and H. K. Patterson.

BOLIVIAN POWER COMPANY

	Month of December 1925	1924	Increase
Gross Earn.	$37,700	$30,308	$ 7,392
Op. & Maint. Exp.	12,050	16,304	x4,254
Net Earnings	$25,650	$14,004	$11,646
	Year ended Dec. 31		
	1925	1924	
Gross Earnings	$470,949	$416,190	$54,759
Op. & Maint. Exp.	190,639	193,962	x3,323
Net Earnings	$280,310	$222,228	$58,082

xDecrease.

1925
THE MONTREAL COTTONS LIMITED

THE ANNUAL REPORT of the Directors to the Shareholders, at this, the Fifty-third Annual Meeting, held at their office in Montreal, on Wednesday, the seventeenth day of February, nineteen hundred and twenty-six, at the hour of twelve o'clock noon.

Gentlemen:—Your Directors have much pleasure in submitting the Annual Report of the operations of your Company for the year ending December 31st, 1925.

The business for the year has been satisfactory, resulting in an increase in sales over last year. Sales for the year amounted to $5,967,045.91. The usual depreciation has been provided for. New machinery and water improvements amounting to $169,161.16 and replacement machinery amounting to $33,487.31 have been added to the property. The regular dividends on preferred and common stock have been paid during the year. The plant has been fully maintained and is in excellent condition.

We have much pleasure in commending the efficiency of the Officers and Staff of the Company, and the loyalty and diligence of the employees throughout the works.

The Annual Audited Statement of the Company's affairs and the Auditors' Report will now be read. All the Directors retire and are eligible for re-election. The whole respectfully submitted.

C. B. GORDON, President.

Balance Sheet as at 31st December, 1925

ASSETS

FIXED:		
Land, Buildings, Machinery and Equipment *Less* depreciation		$4,779,969.26
LIQUID:		
Cash on hand and in Bank	$ 70,332.28	
Accounts Receivable	875,388.42	
Inventories of Merchandise Manufactured and in process	1,382,886.77	
Raw Cotton	659,334.09	
Supplies	295,922.01	
Loans and investments	745,000.00	
		4,028,863.57
DEFERRED CHARGES TO OPERATIONS:		
Unexpired Insurance		5,460.00
		$8,814,292.83

LIABILITIES

CURRENT:			
Accts. Payable, accrued int., wages, etc.			$915,698.63
BONDS:			
The Montreal Cotton Co. 1st Mortgage			
Sink. Fund 5% due 1943		$1,000,000.00	
Less redeemed		397,018.66	
			602,981.34
(Outstanding in Sterling=£122,900).			
CAPITAL STOCK:			
7 per cent. Cumulative Preferred—			
Authorized	$5,000,000.00		
Issued		3,000,000.00	
Common—			
Authorized	$5,000,000.00		
Issued		3,000,000.00	
			6,000,000.00
SURPLUS AND RESERVES:			
Bond Sinking Fund		18,761.23	
Pension Fund		62,000.25	
Profit and Loss Acct. (subject to Income Tax for 1925)		1,214,851.38	
			1,295,612.86
			$8,814,292.83

CONTINGENT LIABILITIES:
Bills Receivable under discount $38,647.01.

Profit and Loss Account

To Bad Debts written off		986.61
" Bond Interest		29,954.33
" Dividend:		
Preferred	$210,000.00	
Common	180,000.00	
		390,000.00
" Balance—as per Balance Sheet		1,214,851.38
		$1,635,792.32

By balance forward 1st Jan., 1925	1,144,712.40	
Less—		
Income Tax 1924	18,876.60	
		1,125,835.80
" Manufacturing Profits		446,329.72
" Returns from Investments		63,626.80
		$1,635,792.32

JOHN LOWE,
Secretary-Treasurer.

C. B. GORDON,
H. S. HOLT, } *Directors.*

AUDITORS' CERTIFICATE

Subject to our report of the 16th February, we beg to state that we have examined the above Balance Sheet and Profit & Loss Account, and we certify that, in our opinion they are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company. We have obtained all the information and explanations which we have required.

Montreal, 16th February, 1926.

McDONALD, CURRIE & CO.,
Chartered Accountants.

Price-Maintenance

Is it feasible?
Is it sound?
Is it legal?

The president of a firm of manufacturing chemists—
The general manager of a food product concern—
The sales manager of a rubber business—
The president of a firm of importers—
A proprietary remedy manufacturer—
—and many other interested business men are contributing to a symposium of views on this absorbing question in the current issue of MARKETING.

Read the article

"Manufacturers Tell What *They* Think About Price-Maintenance"

In the February 6th issue of

Marketing
Canada's Business Magazine

Articles that have appeared in MARKETING on this subject in the past two years are listed below:

The Days Before Price Maintenance.
Ensuring the Retailer a Fair Profit.
Foiling the Price-Cutter.
Favor Contract Selling Plan.
Head of P.A.T.A. in Canada.
Does Restricted Competition Hurt the Consumer, by Sir Wm. S. Glyn-Jones.
Foes of Price-Cutting Organize.

MARKETING PUBLISHERS, LIMITED
4 East Wellington St., Toronto, 2.

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of MARKETING containing article on "Price Maintenance."

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The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulation, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, FEBRUARY 19, 1926

The Financial Post's Platform for Canada

Promote national unity.
Reduce taxation; curtail public waste.
Conserve Canadian resources for Canadians.
Develop production and manufacturing to the highest point in Canada.
Settle our vacant lands.
Encourage individual initiative.
Induce and protect investment of capital in Canada.

TREAT THEM RIGHT

EVERYONE has heard of California's climate. It has been the great asset in the development of that state in recent years. It has been one of the greatest drawing cards that the tourist business has known. And yet even with that wonderful climate California is losing its popularity with tourists, because of the short-sighted policy of those catering to them in charging the last cent that the traffic would bear. A reader of The Financial post, writing from Santa Cruz says:

> You will be interested to know that the tourist traffic is not up to the usual for this season, and it is my opinion that the past years have shown too many, that it is not altogether good for the future to "do up" tourists as they have been done in the past. The boom spirit is still on in Los Angeles, and the cut-throat methods in the real estate game are still being carried on, but time will show that this even does not pay.

In no other business is goodwill a more important asset than in the tourist business. The first essential in the development of tourist traffic is to have attractions natural or otherwise which will bring visitors. The second, and equally important, is to treat these visitors so that not only will they come back in succeeding years, but bring their friends with them.

No country in the world has greater attractions for tourists than Canada. But it is just a question if we have not been striving too much to get visitors and paying too little attention to securing their goodwill so that they will come back again. Good roads, satisfactory accommodation at fair prices and a square deal for those who spend their money for supplies, souvenirs or merchandise are essential factors in putting the tourist business on a permanent dividend-paying basis. Unless these things are assured money spent on advertising the country's wonderful attractions will be very largely wasted.

SOUTH COUNTRY PROBLEMS

FURTHER surveys of certain areas in the south-east of Alberta with a view to making these more productive will be made by a special board named by Premier Brownlee, and which will co-operate with the federal government in this work. The members of the board are E. J. Fream, of the utilities board; V. Meek of Calgary, and Z. McIlmoyle, assistant deputy minister of agriculture.

The problem of the south country of the Prairie Provinces has not yet been fully solved. It is not a question of getting one or two good crops. The exceptional good crop may do more harm than good in renewing hope in the success of agricultural methods which do not insure permanent prosperity.

In this southern area the average rainfall is light. Conditions vary, of course, but generally speaking this natural condition must be recognized if the problem is to be worked out. In some districts irrigation is providing a satisfactory successful answer. In others equally good results are being secured by intensive methods of conserving moisture. And there are areas from which the settlers are, quite rightly, moving.

Whatever the methods adopted, one point seems to be clearly established and that is that small areas can be farmed more successfully than large. The Financial Post has heard of the experience of one farmer who abandoned three quarters of his land, irrigated the remaining quarter, and, by intensive farming methods, won success. The same effort applied to one quarter the area resulted in a bigger return when the whole property had been worked. When irrigation cannot be applied careful planting and treatment of the land will go far in retaining moisture. Summer-fallowing often results in one profitable crop in two years where two indifferent crops with double the work would result in a loss.

The loaning institutions and the banks which for years have been carrying a heavy financial burden on account of the conditions in some of the areas in southern Alberta will, no doubt, be found ready to co-operate in any plan which will result in bettering the present situation.

SELL TARIFF TO WEST

THE West is not against the tariff but demands to be shown the good faith of the eastern manufacturer. This is the viewpoint of a sucessful Alberta retail merchant, stated in a letter to the publishers of The Financial Post. This business man makes a practical suggestion to the effect that the Canadian manufacturers should attempt a logical campaign to sell the tariff to the West. He writes:

> "Do you know we in Western Canada are placing a little more faith in Eastern Canada, and it is through such national papers as edited by you and your associates that are fostering these feelings, but there is lots and lots more work to be done before we can place real confidence in the East. Do you know, a large number of Westerners are not against the tariff if we had faith in the Eastern manufacturers. This is one of the big stumbling blocks. We figure, and have good reason, that they will put the price of their goods out of reach when they secure a high tariff. There must be some way to control this. Again, lots of our Canadian manufactured goods are of a very poor grade.
>
> "Just one more suggestion: There is not a good logical pamphlet put out in the interests of protection. I mean one to appeal to the average Western voter. We want it written from a Western viewpoint, using some of my suggestions in this letter.
>
> "We would like to see this Canada of ours go ahead and have a prosperous and contented people, and this can take place only if our real big Canadians look into a few of our problems with a view to a betterment and an endeavor to help solve them."

EMIGRATION AND IMMIGRATION

EMIGRATION is becoming recognized as quite as important a problem to Great Britain as immigration is to Canada. Following is a statement on the situation by Colonel, the Hon. F. Vernon Willey, C.M.G., C.B.E., M.V.O., president of the Federation of British Industries.

> An examination of the nation's fortunes over the past sixty years, shows that periods of greatest prosperity have coincided with periods of greatest foreign investment and emigration. In the case of the former, the limit of this is set by the savings of the people. For the present the results of the war have contracted our lending capacity. Our capacity to emigrate, however, is as great as — or greater than — formerly Before the war we used to emigrate around 450,000 people per annum; this fell last year to 130,000. The difference is just about equal to the 2¼ million odd increase in population before the war; half of this accounts for our unemployment. As our industry is not on the whole growing, it is natural that the difference is accounted for partly by people working less hard, i. e., a smaller effort in each one's task, and partly by the reduction of hours. These, though both possibly conducing to the comfort of the workers, inevitably put us at a disadvantage by comparison with competitive industrial nations who work both harder and longer hours.
>
> There is need for heroic action in this matter. The Empire Settlement Act is not adequate. Increased doles, subsidies, and pensions naturally discourage emigrants. The government would be justified in taking a bold long view, and setting aside £100,000,000, spread over a short period of years, to provide assisted passages and generous settlement grants, and the making of the necessary arrangements with the colonies to help people in fertile parts of the British Empire.

With Britain anxious for emigration, and Canada anxious for immigration, it should surely be no great problem for the governments to get together and evolve a practical scheme with mutual advantages.

EDITORIAL NOTES

THE taxes paid by the Huron and Erie Mortgage Corporation and the Canada Trust Company for 1924 showed an increase of almost $6,000; the taxes paid by these companies have increased more than $34,000 in the past three years. These facts are mentioned as being significant of the increasing burdens being borne by business for the benefit of the general public.

* * *

THE Canadian Association of British Manufacturers is quite properly objecting to the treatment of bids of British pipe makers in relation to the recent order placed with a Canadian firm after it had the privilege of bringing its price down to the British basis. It is soundly argued that all or none should have the privilege of altering tenders after they are opened. If Canadian municipalities propose to give their orders to Canadian manufacturers without considering price that is their privilege; the taxpayers must bear the burden, but it is nothing short of false pretenses to ask for outside bids merely to force down prices.

THE NEW INDUSTRIAL OWNERSHIP — Article 1

Workers and Customers New Owners of Industry

A Remarkable Change From Time When Ownership, Management and Labor Were All Represented by One Individual—Will All Workers Become Capitalists?

DOES CAPITAL OWE LABOR MORE THAN WAGES?

By J. W. Tyson

THE old order changeth.

Within the memory of a great many of those who will peruse these lines there was a time when industry was comprised of small units. The village blacksmith was a typical example. Very frequently he was a builder of vehicles. He owned his shop, he managed it and did most of the work. He was capital, labor and management, all rolled into one. Practically all lines of manufacturing were so organized.

To-day, in modern industry the average big manufacturing plant is owned by many shareholders, who elect directors, who in turn appoint the executive officers and the latter employ and manage the working forces.

It is a remarkable change that has taken place and is still taking place. The big industrial organization built up by General Motors at Oshawa is a typical example, for it is a comparatively few direct steps back in the process of industrial evolution to the time when the founder of this business, Robert McLaughlin, built and sold the carriages which bore his name—not to mention evidences of his skill as a painter of those pastoral scenes which decorated the high class vehicles of the days gone by.

The great mass of the larger industries of the United States and Canada have been almost unconsciously converted from a management based on an intensely personal ownership to a management based on an ownership widely distributed and, therefore, almost entirely impersonal. In the far-reaching significance of this change in ownership there is embraced ownership by investors, ownership by customers and ownership by employees. All three varieties of this trend to ownership by the public have been developed in varying degrees as best adapted to the particular enterprise.

The public utility corporations have gone farther, perhaps, than other business organizations. They have appreciated the importance of inducing the public, their customers, to become shareholders. As such, the latter are in a position to share in the company's prosperity, and also to use their influence in seeing that it receives a square deal at the hands of the rate-controlling bodies, in the election of which they play an important part. In fact keen students of the economics of public service have expressed the opinion that the only practical form of public ownership which seems assured of success is this form of customer ownership which involves a responsibility on the part of the shareholders in the success of their own property, lacking where ownership is constituted in the whole community.

And Now Employee Ownership

Ownership by employees is the most recent of the phases entering into this industrial revolution. It has been tried by some of the big corporations like United States Steel and has proven satisfactory to the extent that it is being expanded year by year. It is one of the answers to the question: What does the employer owe to his employees—if anything—in addition to what is contained in the pay envelope? There are a number of other answers which will be discussed in the course of these articles. They include:

> Profit-sharing plans, group insurance, savings plans, pensions, protection of life and health, sick benefits, company stores, recreation and entertainment, workmen's homes, etc., etc.

They have been successfully worked out by the larger industrial and commercial organizations and by the banks, insurance companies and other financial institutions employing large numbers of workers.

It should not be assumed that it is suggested that any economic system will ever be developed to a basis where the human factor will be seriously discounted. There will still be room for the development of Henry Fords. The exceptional worker will become the manager or owner and the exceptional owner-manager will continue to reap exceptional profits.

All Workers as Capitalists

Looking ahead and accepting as probable a continuation of this industrial or economic revolution it is not perhaps going beyond the realm of possibility to foresee the time when all workers will become capitalists, and that in this way workers will own their jobs through the shares they hold in the company by which they are employed. Should such a goal be eventually attained it would represent a state of practical socialism which would be closer to the ideals of those who would upset the capitalistic system than the agitators would perhaps care to admit. In a recent book by Professor Thomas Nixon Carver, of Harvard University,—a book called "The Present Economic Revolution"—he says:

> "We are actually achieving an economic revolution which is the exact realization of the rule: 'He that would be great among you, let him be your servant.' We are actually working out in this country the only economic revolution in the world—at least the only one that amounts to a hill of beans.
>
> "Moreover, this revolution is being brought about without any help whatsoever from the professional reformers, or the preachers of purely emotional righteousness. It is being brought about by the schoolma'ams and the business men primarily, though everybody who does really good and honest work in any field of useful endeavor and who thinks clearly and votes sanely has his part in it. This is the way most great revolutions come. Those that bring great and permanent benfits to mankind usually come quietly, without noise or tumult."

Wealth of the Workers

The economic revolution referred to means that wealth is increasing and that wages are rising. Prosperity is being more and more widely diffused. This diffusion for the benefit of all classes is being worked out without wrecking the foundations of our democratic system of government. As a result, the worker is becoming a capitalist. The growing proportions of the country's bank deposits, in addition to the widening distribution of government bonds and utility, industrial and building bonds and stocks, is evidence of this. If the savings as represented by bank deposits, by deposits in the trust and savings companies, the post office and the government savings offices were combined with the accumulated investments of the public in life insurance policies and bonds and stocks, it would be found that the per capita stake of the individual worker in the country was a very real and material thing.

On this point of the increase in bank deposits and in industrial ownership, Charles E. Mitchell, president of the National City Bank, recently pointed out the modern form of corporate organization makes it possible for thousands of persons to participate in the ownership of an industry, either as bondholders or as stockholders. Wage-earners are becoming something more than employees by sharing in ownership.

Labor Leaders Alarmed

Perhaps the most significant development indicating the spread of the employee ownership movement is the attitude of some of the leaders in organized labor who are frankly opposed to it, although whether from the standpoint that any movement to bring capital and labor together undermines their power or that they really fear that the interests of the workers will suffer is a question which for the present is not answerable. Matthew Woll, vice-president of the American Federation of Labor, declares that investments by workers in the securities of the companies by which they are employed are not sound because both the return on the investment and for labor are then dependent on one industrial venture. He thinks that the various sources of income of the worker should be as widely distributed as possible.

But the objection of the labor leaders to the new employee ownership idea seems to be more clearly expressed by Mr. Woll when he says that "some employers are using this method to tie workers to their jobs; by getting wage earners concerned for dividends they hope to make their interest in wages less aggressive; they hope employee ownership will serve as a deterrent to movements for wage increases and strikes." In a word Mr. Woll's argument is that the present movement for employee ownership is not in accordance with the views of organized labor because it implies ownership without control—and seemingly it is in the control rather than the ownership that the labor leaders are interested.

Every Employer Interested

In this new industrial ownership being dealt with in this series of articles the role of the worker as a shareholder will receive particular attention. Is the time coming when all workers will be capitalists—and own their jobs? Perhaps that is looking too far ahead, but the new relations between employers and employees not only in regard to stock ownership but also in regard to pensions, group insurance, profit-sharing and other benefits are so broad in their application to modern industry that every employer must necessarily give them his attention.

While the various plans and experiments which will be discussed have been adopted for the most part by the larger industries, the measure of their success is a matter of vital interest to the heads of even the smallest industrial establishments, because they represent a yard-stick by which the returns to labor are being measured. Many of the ideas can possibly be adjusted to the problem of the small manufacturer. In any event he should be acquainted with the various developments as affecting the labor supply for which he must compete.

POST-Scripts

ECCLESIASTICAL orders and institutions in Montreal are loath to sell their real estate holdings. This leads to some peculiar transactions at times, one of which is exemplified in an automobile sales building, which is at present being erected on St. Catherine St.

The company constructing this building was unable to purchase the land on which it stands and could only obtain a lease for twenty-five years. Consequently, the building is being constructed and the backers of the project estimate that, at the end of twenty-five years, the building will have earned sufficient to allow it to be handed over without charge to the owners of the land.

A SALESMAN for one of the men whose activities have cost luckless investors in New York several million dollars entered one day a suburban garage, says John Rosser in Forbes Magazine; a pair of feet was observed to project from beneath an ailing flivver. The salesman asked the owner of the feet if he desired to buy some tires. He got a gruff, negative answer. "That's all right," said the salesman, "I don't sell tires—I sell stock." The flivver doctor slid out and started for the side door. The salesman started toward the front. The garage man said: "Wait, what's your hurry?" and then called toward his house nearby, "Oh, Mary, you don't have to take that money down to the bank—there's a fellow here who'll let us have some stock for it!" That is the sort of man whom the protective agencies and the courts sometimes try to save and often with indifferent success.

FINALLY, to cap the climax, all the members who had been delinquent in attendance during the past two months were put on trial and local lawyers acted as prosecuting attorney, defence counsel, magistrate, etc., to carry on the proceedings. Two members of the local police force were borrowed as constables to give the touch of authority to the scene. Finally, when defense counsel proved more resourceful than the prosecuting counsel and threatened to get his clients off without punishment, the judge took proceedings in his own hands and let the defendents all out on ten cents bail apiece and then immediately declared the bail forfeited.

When this case had been disposed of, a minister of one of the local congregations was brought up for trial, on a charge of holding church services at the regular hour on Sunday morning, when the members of the Kiwanis Club were staging a baseball game, thus preventing a number of the members from attending the ball game. He pleaded guilty and was let off with a warning.

Only after all this agenda had been disposed of, was the speaker of the day allowed to contribute his very worth-while address.

PROPAGANDA by the bucketful has been poured out to the public on the pros and cons of the Hudson's Bay route and of its railway. So heavy has been the barrage that both the Conservative and Liberal parties have sold out and pledged their word to complete the railway.

Statements by reputable and responsible engineers—both of Eastern and Western origin—have been controverted by editors and others knowing nothing of the situation. But most of this propaganda, whether it be pro or con, is far from amusing. However, the Okanagan Commoner does some deep, very deep, digging in order to obtain an authority to substantiate the views of those who wish the railway completed. In fact, the Okanagan Commoner goes back almost 200 years and quotes what some unknown explorer has to say about Hudson's Bay. Here is the supreme argument for the completion of the railway as presented in this Western mirror of thought:

> "The writer had access to the valuable library of Thomas E. Wilson, the other day, and there found a copy of the original report of Joseph Robson, made to George, Earl of Halifax, of an expedition which Robson headed into Hudson's Bay and Robson's residence there from 1733 to 1736 and from 1744 to 1747. For six years Joseph Robson's expedition lived at Hudson's Bay, made surveys of the waters and coasts and went inland. In this report, made 170 years ago, Joseph Robson says: The land abounds with mines and minerals and is also capable of great improvement by cultivation, and the climate within the country is very inhabitable. If the able poor or the convicts were sent thither with suitable encouragement they would very soon become happy themselves and useful to the public."

One question remains unanswered. Where is the Okanagan Commoner going to find "the able poor or the convicts to be sent thither?" On the other hand, perchance all the protagonists of the Hudson's Bay Railway would be willing to migrate to the shores of the Bay, where no doubt "they would very soon become happy themselves and useful to the public."

Pitiful Picture of Conditions in Canada Painted for Prospective Irish Emigrants

LONDON.—What can only be regarded as deliberate propaganda to discourage emigrants going to Canada at a time when governments and transportation companies are co-operating in a vigorous effort to encourage such emigration, is appearing in some of the Irish newspapers. Under the heading "The Passing of Dead Hopes; What the Uninitiated and Friendless May Expect," the Cork Weekly Examiner has published the first of what promises to be a series of letters from a correspondent who is said to have gone to Canada in the role of a job-seeking emigrant and who tells of his alleged experiences. In publishing this letter the newspaper reveals its plan of opposing emigration in an introduction which says that "this first article expresses what we have always maintained—that it would be better for the average Irish emigrant to work the land in Ireland than face the rigors of the Canadian winters; in Ireland no agricultural laborer will starve who is prepared to work, but in Canada he is left to his own resources during the terrible winter months when no farm work is possible."

As to the emigrant correspondent's experiences in Canada, the following extracts from his letter will permit of Canadians reaching their own conclusion as to how far he is depicting real conditions:

> Passing through New Brunswick and Quebec the scenery looked as if all the farmers in the world had had a try at the terrible job of reclaiming the wilderness, and had fled in despair, leaving the future hopefuls to complete the task which to them was beyond human efforts, at least the efforts of unfortunate men and women without capital to buy the machinery absolutely necessary to make any headway against the terrors of bog, swamp, cold and isolation.
>
> Here and there one saw the pathetic remains of what had at first appeared to be a paying undertaking. The miserable shack turned bottom upwards by the fierce winter gales, and the half-made path that led through the wilderness towards civilization.
>
> * * *
>
> Cold at this time of the year adds its terrors to the lack of warm clothing in more ways than one. To live, one must keep on the move, and, without a home this means all day, and sometimes all night. Money seems to melt. Despair seizes the weak, and the river St. Lawrence sings their requiem as it carries their unmissed bodies to the sea.
>
> * * *
>
> As there is no "Dole" here, the really destitute are in a very bad way. The various religious bodies are out on the streets begging for funds to relieve the poor and starving natives. A cutting from one paper gives a faint idea of the poverty that exists, and it may be an outcome of the state of poverty that is responsible for the robberies that take place after dark on the streets of the city.
>
> One "lone bandit," as he is called by the press here, does not trouble to seek the aid of darkness. He pulls out his little gun, jabs it on one's ribs, and gets away every time. He is said to have graduated in the classic district of Rathmines, for he has quite a London-Dublin accent. I suppose he came here to make his fortune in the "Land of Sunshine and Prosperity," and got just enough to buy a gun. He is growing prosperous all right, but a cell and the "cat" await in the prison known under the soothing name of St. Vincent de Paul.
>
> I have found three men, one aged woman, six youths, and a sickly girl wandering about the streets, comfortless, hopeless, and bordering on the breakdown that comes of hunger, cold and despair. What can one wage earner do for so many? If I could place them on a homeward bound ship, that would be something; but I fear that they would refuse to go. Pride keeps them on the cold streets, and it may be that pride will force them to live irrespective of the manner of living.

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Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Industrial Alcohol

D.S.M., Ontario.—Would you class Industrial Alcohol in the "safe investment" class?

We would not place Industrial Alcohol in the safe investment class, but we believe that it is a good buy for a business man. In the meantime you are getting an excellent yield on your investment and we believe that the shares will sell higher. The company is doing good business and it is understood that during the first quarter of its fiscal year, which ended Jan. 31, the company made sufficient earnings to take care of its dividend requirements during the year.

Four Investments

D.S.M., I hold the following stocks for investment purposes: 68 shares of Royal Bank; 105 shares of C.P.R.; 10 shares of Dominion Bank and 30 shares of Bell Telephone. What do you think of them?

You have a nice list of stocks which have already appreciated considerably in value.

Besco Speculative

J. W. M., New Glasgow.—What do you think of the speculative chances of the second preference shares of the British Empire Steel Corporation?

With conditions as they are, the second preferred stock of the British Empire Steel Corporation does not look particularly attractive. If a satisfactory arrangement is made by the corporation with its employees, possibly the stock may go up; improved business conditions also, would naturally be reflected in the securities of the corporation. Indications point to better business conditions during the current year.

If you wish to do a little speculating in some of the British Empire Steel issues, we believe that some of the bonds of the constituent companies would prove even more attractive to you than the second preferred stock of the corporation itself.

International Paper

C. W. J., Toronto.—We are anxious to know whether or not the Canadian International Paper Co., whose head office is in Three Rivers, or Montreal, control the following companies in addition to operating their own plant: The Gatineau Co., the Riordon Corporation, the Continental Wood Products. We should also like to know whether or not there are other companies controlled by the International Paper Co.

The International Paper Company controls the Gatineau Company, the Riordon Company, the Continental Wood Products Company and the Continental Paper Products Company.

The Continental Wood Products Company and the Continental Paper Products Company are controlled through the Continental Paper and Bag Mills of the United States, which are in turn controlled by the International Paper Company. The Gatineau Company and the Riordon Company are controlled by the Canadian International Paper Company, which is in turn controlled by the International Paper Company of the United States. Canadian International Paper Company was formerly the St. Maurice Lumber Company, but the name was changed when the Riordon interests were taken in.

Saguenay Pulp

M. L., Grand Valley.—I hold a considerable number of both common and preferred shares of the Saguenay Pulp and Power Company. As you know, the Quebec Pulp and Paper Mills took over the property, and I understand that in the transaction the common shares were wiped out and that I am to obtain stock in the new company for my preferred. Do you know anything of these arrangements?

A few legal technicalities remain to be completed in connection with the formation of the Quebec Pulp and Paper Mills. Shortly then, the Quebec Pulp and Paper will issue its securities and will hand shares of its common stock to the Saguenay Pulp and Power Company.

Your company then, is still in existence, but only as a holding company. It will hold one share of the Quebec Pulp and Paper Mills for every ten shares of its capital stock now outstanding, both preferred and common.

Had the Quebec Pulp and Paper Mills foreclosed on your property, nothing would have remained either for the preferred or for the common shareholders. However, the new company decided that it would be simpler and less expensive simply to hand a block of stock to your company and thus avoid legal expenses. Should the preferred shareholders of the Saguenay Pulp and Power Company lay claim to the total assets as represented by the stock of the Quebec Pulp and Paper Mills, it seems possible that the common shareholders would then refuse to wind up the Saguenay Pulp and Paper. As the stock in the new company was really in the nature of a gift to the common and preferred shareholders of your company, it seems likely that some arrangement will be made between the two groups; possibly, all shareholders will receive one share of new stock for every ten shares held in the old company. The preferred and common share and share alike.

The Quebec Pulp and Paper Mills will, we expect, distribute its securities within the next three or four weeks. As soon as your company obtains its share of the common stock, probably a meeting of shareholders will be called.

Winnipeg Electric

C. E. R.—Do you think the market has already discounted the prospects of Winnipeg Electric.

Winnipeg Electric appears to be selling out of line with the shares of other public utilities. The future for the company lies largely in its power activities. The latter's earnings have recently shown a decided improvement.

With the completion of the Manitoba Pulp and Paper Co. and many other industrial projects near the city, the company's revenues from the sale of power should take a decided upward turn.

The stock may take time to move upward, but we believe that it would be an excellent hold for a business man.

Besco Preferred

A. T., St. Catharines.—Would you approve of the purchase of Besco first preferred at present prices as a speculation?

With continued activity at the Besco plants and with the expected satisfactory settlement of its wage scale for the coming year, it seems reasonable to suppose that the first preferred stock of the corporation may very well reflect the anticipated bettered operating conditions. But as a speculation, the bonds of some of the constituent companies look much more attractive to us than the preferred stock of the corporation itself. If you are looking for a gamble, the common stock of the corporation might eventually bring you a better profit than the preferred. However, neither common nor preferred, at the present time, looks particularly attractive to us.

Brompton Pulp

T. S. A.—What do you consider Brompton Pulp and Paper Company's prospects for an advance?

The shares of the Brompton Pulp and Paper Company are a long-hold proposition. During 1924 the earnings fell off, but the forthcoming annual statement for 1925 will once again show earnings on the upward path. The attitude of those who are acquainted with the company's activities is that it cannot fail to do well, due to its favorable position as regards wood supply. In other words, the company's timber limits are extensive and situated so that the pulpwood can be taken to the mills at low cost. In view of the rapid depletion of the forests elsewhere, and Brompton's large forest assets, its eventual future seems assured.

With regard to its two American mills, the company has been passing through an adjustment period. Its plants at Groveton and Claremont have been changing their output somewhat.

Montreal "Power"

W. C. Moncton.—What do you think of Montreal "Power" and do you consider the present market price justifiable?

We believe the stock of Montreal "Power" to be an excellent buy for a hold. At present prices, the stock yields under 4 per cent. and therefore, anyone who requires the return of at least 5 per cent. must pass this issue by.

The business boom in the United States raised the prices of New York stocks and this action has been reflected in the stocks on the Canadian exchanges. Possibly Montreal "Power" is selling high, but at the same time it is certainly not selling out of line with similar securities.

The present market price for the stock would indicate that the shareholders believe that the stock will eventually be split, say four to one. When the split will take place we do not know, but it seems reasonable to suppose that it must occur. The stock in the company sold higher in 1925 than it has done so far this year.

The company supplies all the electric and gas services of the City of Montreal and, through its holdings of United Securities, is linked up with the Montreal Tramways and works in harmonious conjunction with the Shawinigan Water and Power Co., the large wholesale power distributor in the Province of Quebec.

For the shareholder who is willing to wait, the stock is a good purchase and we believe that the company's revenues will continue to increase year by year.

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The "Daily Dozen" for Dollar Disorders

These exercises represent a program which will put almost any one on the road to economic health and happiness—and keep him there. Result along with the extra sunset years of life which the health exercises will bring, there will be that financial independence and freedom from money worries, without which old age becomes a sad tragedy instead of glorious contentment.

Exercise Number One—Earn All You Can Honestly. The annual income of the people of this nation is about $60,000,000,000, or $545 per person, or $2,180 per family of four. But 86 per cent. of all workers are reported to get less than $2,000 per annum. Only 1 per cent. get as much as $8,000 a year.

Exercise Number Two—Plan Your Spending Carefully. Here is an opportunity to exercise real skill. And it's a lot of fun, too, if you go at the planning in the right spirit.

Exercise Number Three—Spend for What You Need Wisely. That's a good trick if you can do it. According to the "American Education Digest," here is how the average dollar is disposed of—living cost 24½ cents, luxuries 22 cents, waste 14 cents, miscellaneous 13⅓ cents, investment 11 cents, crime 8½ cents, government 4½ cents, school 1½ cents, and church ¾ of a cent.

Exercise Number Four—Record Money Transactions Accurately. Having planned well and spent wisely the recording gives you a delightful picture of how it all happened. No modern business concern of any importance would dare to operate without keeping accurate books.

Exercise Number Five—Save Part of Your Pay Regularly. That sounds trite. So does the admonition to brush your teeth daily—good advice, nevertheless.

Exercise Number Six—Consult Your Banker Frequently. This business man is much more human than he is frequently pictured in fiction. You may be surprised to find out what an important service he renders to society and what a valuable counsellor on money matters he can be to you.

Exercise Number Seven—Invest What You Save Safely. What endless tragedies could be avoided if folks would take up this exercise!

Exercise Number Eight—Protect Your Loved Ones Adequately. You owe them this much consideration. There are two primary ways of doing this exercise. The first is by carrying life insurance. Then protect your loved ones by making a will so that the estate you create by life insurance and otherwise will go surely and quickly to those who should have it.

Exercise Number Nine—Avoid Waste Diligently. What we Americans thoughtlessly throw into our garbage cans would feed an army.

Exercise Number Ten—Keep Your Credit Established Firmly. In other words, keep out of debt, pay your bills promptly, and thereby maintain your self-respect and your standing as an asset to your community.

Exercise Number Eleven—Own Your Own Home Surely. Home-owning hearts are usually happiest.

Exercise Number Twelve—Give What You Ought Liberally.—E. A. Hungerford, in Forbes Magazine.

Quebec's Campaign Against Billboards

MONTREAL.—The citizens of Quebec are making a vigorous attack upon the advertising billboards that deface the highway. Le Presse says:

"These advertising-boards, concerning which there is fresh discussion, are not only a disgrace but a cause of danger in certain places. Thus, for instance, a number of these motley signs have already provoked protests because they prevent signs showing the turns in a road or the approach to a difficult crossing from being seen.

"That is still more serious than the aesthetic question which, however, also has its importance for the tourist who is attracted by the charm of our cities and the beauty of our countryside. Westmount and Montreal West have banished advertising signs in the name of common sense and public safety; Longueuil is studying the problem at the present time. Must it be that these insipid signs, driven out of our sister-cities, shall find refuge in Montreal?"

The Chronicle-Telegraph, Quebec, is taking up the fight there and says:

Advertising signs are certainly an eye-sore that should have no place in a tourist centre such as Quebec City and might well be banished from our highways that have been built with public funds.

Current Opinion

TORONTO'S BAD DEAL

Kingston Standard.—The Board of Control at Toronto has given an order for pipe for the city waterworks to a local firm after it had reduced its tender by $4,416 to meet that of an English firm. Surely that is a bad deal. It scarcely seems fair that an English firm should have been allowed to go to the expense and trouble of preparing a tender only to have it used in this way. If we are not mistaken a similar deal to this took place in Toronto some time ago and led to much adverse comment, both in Canada and Great Britain. If it is to continue, the fairest thing to do would be to warn British concerns of what they may expect.

GETTING TAXES REDUCED

Windsor Star.—If we want taxes reduced we must let those in power know our desires. And as every man must appreciate, the chief way by which levies may be lowered is through the adoption of more economical methods of public spending. We must be prepared to second every offer for economy put forth by our legislators. We must revise our old idea that the best member of Parliament is the one who gets the most federal money spent in his riding.

Canada wants lower taxes. Canada must have lower taxes. And we can get them if we make demands sufficiently strong to make governments see that we mean business.

NO PLACE FOR THIRD PARTY

Saturday Evening Post: According to the logic of sucessful government, there is no permanent place for third parties. They dwindle down to insignificant blocs or drift back to the parent body from which they sprang. The Conservatives, (in England) safely intrenched in power to-day, will need the corrective influence of strong opposition if continued good government is to be expected from them. It so happens that the splendid old Liberal party has been forced into a painful position on the fence. It must soon do either of two things—divide into two parts, and so pass out of existence, or climb off the fence and assume its previous role of reform leadership, with the Labor party as an adjunct. To accomplish the latter, Liberalism would require inspired leadership, and it is very doubtful if either the intellectual calm of Asquith or the adroit opportunism of Lloyd George would be sufficient. There is no other Moses in sight.

PORTFOLIOS ABEGGING

Montreal Gazette: There can be but little to attract a capable public man in connection with a portfolio in a cabinet which, just after a general election, is saved from defeat, now by a majority of two, now by only one, and that majority due to the vote of non-Liberals who have openly expressed dissatisfaction with the Prime Minister and his government. On the basis of the latest division the defeat of any one of the men who are expected to enter the Cabinet would mean the loss of the majority and the overthrow of the whole outfit. There is no outlook ahead of Mr. King, even if he and his colleagues are elected, but a continual series of crises wherein his place, his government and his party policy will depend upon one or two individuals voting one way or the other or even abstaining from voting. Such a spectacle cannot endure for any time, and the longer it lasts the more will the country suffer.

"ON TO THE BAY"

Quebec Chronicle-Telegraph. — With Premier King committed to the completion of the Hudson Bay Railway project by virtue of his own utterances, and doubly committed by virtue of his vicious alliance with the Progressives, this matter begins to loom as yet another financial stone to be tied to the already overburdened neck of the Canadian tax-payer. One can quite understand the sentiment of the western farmers in favor of the new road. If the project is of any value at all, that value will redound to their exclusive advantage. And it is equally easy to understand the sentiment of the East in opposition to the new road. Whether there is any value in it or not that value can only redound to the East's exclusive disadvantage. That, in a nutshell, represents the two divergent views on the subject. But between these two poles there is a body of intelligent and independent opinion, not the exclusive property of any section, whose voice, however, is as the voice in the wilderness, and, which, by the same token, appears to be instinct with the prophesy not infrequently found in such isolated expressions. According to that opinion, the proposed Hudson Bay Railway cannot carry a sufficient volume of traffic to materially benefit the wheat grower of the West, even though the rates should be lowered in proportion to the favorable difference in distance as between the proposed route and the route now in use. Furthermore, it is declared that there are insurmountable physical and economic obstacles in the way of operating that railway at a cost which would not result in the imposition of rates several times higher than those prevailing at present.

CANADA'S TRADE AGENTS

Port Arthur News Chronicle: A great improvement is evident in the intelligence department of the Department of Trade and Commerce in recent years. Following the war with the organization of national transportation, including railroad and steamships the Federal Government realized that the scope of the Department of Trade and Commerce would have to be enlarged. The happy-go-lucky method which had existed for years was abolished and in its place a thoroughly organized systematized foreign intelligence service was established. A corps of young men taken from business circles, or trained especially for the work, was organized and given assignments to various countries.

Personal

HERMAN C. ANDERSON, whose death occurred suddenly in London, England, was president of the H. C. Anderson Company, investment brokers of Toronto, and held executive positions in a number of industrial concerns in the financing of which he had played an active part. He was president of the Collapsible Tube and Containers Ltd., and vice-president of the Chicago Fibre Shipping Case Company. He was also vice-president of the Bankers Financial Corporation, Ltd. Born in Hamilton 48 years ago he moved to Toronto as a boy and following his education entered the service of the Dominion Bond Company. About ten years ago he founded the investment firm of Anderson, Robinson & Company, which was later superseded by H. C. Anderson & Company. About a year ago he went to London in connection with a mining flotation and pressure of business protracted his visit and some time ago the illness which proved fatal was contracted. Mr. Anderson was a member of the Ontario Club and of the Rosedale Golf and Country Club, Toronto.

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Picks Lemieux to Succeed King

L'Evenement, Quebec.

The Financial Post gives the names of the Hon. Rodolphe Lemieux and the Hon. James Robb as the Liberals who command the respect of influential men of all classes of both parties. As far as the Conservative party is concerned, it adds, it could not be better directed than by the Hon. A. Meighen whose intellectual superiority, perfect integrity and parliamentary skill are recognized by all.

If the Evenement had to express an opinion on the same question, we should have the same praise for Mr. Lemieux, and Mr. Meighen, but we could make a reservation as regards Mr. Robb, who showed lack of firmness in the role as Finance Minister.

We have often recalled the fact that the governing classes in United States have at last won over both great political parties to the cause of the protective tariff. With our neighbors the economic education of public men has been so thoroughly carried out that they are no longer seen divided on the principle of a customs tariff. The republicans are in favor of a very high tariff and the democrats are in favor of a high tariff. That is the only distinction which characterizes them to-day on the tariff question. For an instance in 1921 it seemed probable that the Canadian public men would follow the example of the Americans and would no longer be divided on the question of the tariff other than as regards the amount of duty to be imposed. If the ideas of a Sir Lomer had prevailed in the first King Cabinet the electorate would have assured for the Liberal party a long lease of power at Ottawa. Unfortunately Sir Lomer's colleagues and the Liberal party of the province of Quebec, did not give him sufficient support and it was in order not to sacrifice the consistency of his career to the opportunism of Mr. King that the real leader of Canadian French nationality made his exit from public life.

By his knowledge, by his command of both languages, his oratorical gifts, his parliamentary experience, and his skill in politics, the Hon Rodolphe Lemieux is to-day the most highly gifted of our public men. He is the doyen of the Liberal party of the Province of Quebec and his superiority over all the ministers by whom the Hon. Mackenzie King was surrounded both in 1921 and 1925 is evident. If ever the Liberal party can get rid of the present Prime Minister it is Mr. Lemieux who will be the logical successor of Sir Wilfrid Laurier. He is the only one of the old disciples of the old chief who can give life to the Liberal party and re-establish its former popularity in all Canadian provinces.

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News of the Investment Market

1926 GOVERNMENT MATURITIES CLOSE TO $200,000,000

Dominion Has Bonds of $138,000,000 Falling Due —Provinces $50,000,000

Nearly $200,000,000 of the bonds of the Dominion and the provinces falls due during the current year. The Federal Government accounts of $138,000,000, while the maturities of the nine provincial governments total $52,451,338, making a grand total of $190,451,338. These maturities are well distributed over the year, the largest in any one month being the $70,000,000 Federal issue which falls due in September. The smallest of any month is that of January when only $301,071 matured. April and October are the other two large maturity months. The maturities by months are:

January	$ 301,071
March	11,350,000
April	38,000,000
May	2,520,000
June	8,000,000
July	11,580,266
August	1,000,000
September	70,000,000
October	35,000,000
November	8,000,000
December	2,700,000

Of the federal government maturities, $25,000,000 is due on the 1st of April; $70,000,000 on the 1st of September, $35,000,000 in October and $8,000,000 on the 15th of November.

Ontario heads the maturity list of the provinces, having a total of more than half of the aggregate for all the provinces, $26,576,000. British Columbia takes second place with a total of $10,000,000. New Brunswick has the small total of $20,000 and Prince Edward Island has no maturities this year. The maturities in detail, by provinces, follow:

Amount	Date	
Prince Edward Island		
None		
New Brunswick		
$ 20,000	May 15	5
Nova Scotia		
1,500,000	July 1	5
2,000,000	July 1	4½
Quebec		
4,000,000	June 1	5
Ontario		
8,350,000	Mar. 1	4
10,000,000	April 22	3½
4,000,000	June 1	5
1,500,000	July 1	3½
2,000,000	Dec. 1	5
700,000	Dec. 1	4½
26,000 (U. of T. Guar.)	Jan. & July	4-4½
Manitoba		
1,000,000	Mar. 1	5
1,996,000	July 1	4½
1,011,000	July 1	5
58,000	July 1	4½
486,000	July 1	5
99,766	Juy 1	4½
Saskatchewan		
500,000	May 1	5
400,000	July 1	5
917,000	July 1	4½
194,000	Jan. 1	5¾
93,268	Jan. 1	5¾
Alberta		
2,000,000	May 1	5
500,000	July 15	6
British Columbia		
2,000,000	Mar. 21	6
2,000,000	April 25	6
1,000,000	April 25	6
2,000,000	July 1	4½
1,000,000	July 15	6
1,000,000	July 15	6
245,000	Aug. 16	6
755,000	Aug. 16	6

BOOK ON BOND ISSUES

MONTREAL.—The National City Company has brought out a booklet dealing with both domestic and foreign government bonds. It lists and shows the attractive features of many issues of many governments which would prove suitable to the Canadian investor. In the preface are reviewed the various factors which led to the high yield on many external issues which may be purchased to-day. The book deals only with such issues as are subject to no income tax other than that ordinarily payable to the Dominion Government and, while it is by no means comprehensive, it lists those issues which are actively traded in Montreal, Toronto or New York and which undoubtedly merit the attention of investors desiring this type of security.

WHALEN OFFER EXPIRES

MONTREAL.—The Royal Securities Corporation has sent out a circular advertising the holders of the debenture stock of the Whalen Pulp and Paper Mills that the offer of general mortgage bonds and common shares in the new British Columbia Pulp and Paper Company, which was recently made, expires on February 22, 1926.

The Bond Market

Public financing is still being carried on on an extremely limited scale, and the total volume of bonds issued for the year to date is much below the total for the first six weeks of last year. The bonds of the provinces and the better grade municipals are in keen demand. Foreign issues such as the Argentine and some other South American issues are more keenly sought after than ever. More than usual interest is being displayed in certain of our taxfree issues. Trading is active, and there has been keen bidding in the few issues that are coming up.

Pure Food Stores Issue Heavily Oversubscribed

An issue of $175,000 7 per cent. cumulative preferred stock of the Pure Food Stores, Ltd., of Montreal, is being made by Messrs. McLeod, Young, Weir & Co., and Housser, Wood & Co. It is stated that the offering was largely oversubscribed within an hour.

Pure Food Stores operate a chain of 28 grocery stores throughout the city of Montreal. Ten of these are of the self-service variety, while the balance are service stores.

The new issue was offered at 100 and accrued dividend, every ten shares of the preferred carrying a bonus of three shares of no-par common stock. The preferred, without the bonus, is now quoted at 96 bid, 98 asked, while the common stock is quoted at 28 bid, 30 asked. This is approximately the equivalent of 104½ bid, 107 asked, per unit of the original offering.

Half Million Issue on Toronto Apartment

Typical of the trend towards the apartment in the larger Canadian cities is the $510,000 issue of 7 per cent. first mortgage bonds of the Bloor-St. George Realty, Limited, on the erection of a 79 suite apartment house at the corner of St. George and Bloor Streets, Toronto. The real estate mortgage bond has enjoyed a very wide popularity in all of the larger United States cities and promises to play a big part in apartmentizing the Canadian cities. Toronto, with more than 60 per cent. of its homes occupied by the owner, offers more resistance to the change than a city like Montreal, but it now boasts many fine apartment houses, most of which have been erected since the population has passed the half-million mark.

The present issue, which matures in 1946, has an attractive feature in the central location of the house. The land on which the apartment is to be erected has been valued by W. N. Lonsdale at $101,160, and by Messrs. Gibson Bros., Realtors, Toronto, at $100,000.

Steels Incorporated to Issue $1,500,000 Bonds

BUFFALO.—Formal announcement of an issue of $1,500,000 first mortgage refunding and improvement 6 per cent. gold bonds by Steel's Consolidated, Inc., of Buffalo, and Steel's Consolidated, Ltd., of Toronto, was made recently by Walter M. Wilkins, president of the two chain store corporations featuring 5 cent to $1 merchandise.

Proceeds from the sale of the issue will be used to discharge existing mortgages on real properties of the two companies in the United States and Canada and for improvements to certain of the properties to the extent of approximately $125,000. The balance will be used to repay to the treasuries of the issuing corporations working capital advances in the past 18 months for mortgage payments and improvements on stores.

Properties covered by the trust mortgage are located in Montreal, Quebec, Sherbrooke and Verdun, in the province of Quebec; Toronto, Hamilton, Brantford, Sault Ste. Marie and Ottawa in the province of Ontario; Regina, Sask.; Milwaukee, Wis., and long term leaseholds in Buffalo, N.Y.; Charleston, S.C.; Spokane, Wash., and Oshawa, Ont.

New Issue Floated on Hamilton Apartment

Dickson, Jolliffe & Co. announce a new $300,000, 7 per cent., first mortgage sinking fund bond issue, which they have underwritten for the Mountain View Apartments, Limited, and which they are selling at $100, and accrued interest to yield 7 per cent. The Mountain View Apartments, Limited, have recently begun the construction of a high class modern apartment building in what is considered the best residential section in Hamilton.

The capitalization of the Mountain View Apartments, Ltd., consists of $300,000, 7 per cent., first mortgage bonds, $200,000 7 per cent. second mortgage bonds, $60,000 7 per cent. preferred stock, par value $100, and 40,000 common stock, par value $100. All of the common stock is owned by R. W. C. Godson and his family, which represents their equity in the property. $150,000 of the second mortgages will be given to contractors in part payment for work done and material supplied. According to independent expert valuation, the total value of the land and building when completed will be $586,200, the first mortgage representing 51 per cent. of total value. Independent rental estimates after due allowances for all contingencies show a revenue of more than two and a half times first mortgage interest.

Hon. R. B. Bennett, M.P., of Calgary, has been elected a director of the Canadian General Electric Company, Limited, to fill the vacancy created by the death of the late Sir James Lougheed, K.C., M.G., Mr. Bennett and Sir James Lougheed were partners in the same legal firm in Calgary.

INTERESTING ISSUES

American Sales Book Preferred Offers Attractive Yield

The record of stability in combination with relatively high yield and ready saleability marks the 7 per cent. cumulative preferred stock of the American Sales Book Company as an attractive security of its class. The total amount of the issue outstanding is $3,073,300. The stock, which is preferred as to assets and dividends, is currently traded at around 95.50 at which price it represents the attractive yield of approximately 7.29.

The American Sales Book Co., was incorporated in Ontario in 1911 and acquired the business and properties of three sales book organizations in Canada and the United States, the combined capacity of which made it the largest producer of merchants' sales books in the world. The firm also produces autographic registers and supplies, carbon papers and forms of loose leaf systems. The appraised sound value of the property in August, 1924, was $2,444,652. The business carried on by the company during recent years has been very satisfactory. During the calendar year 1925, net profits after deducting all charges including the 1924 taxes were equivalent to $1.25 per share on the 122.932 shares of $20 par outstanding. This compares with net profits of 97 cents per share for the previous year. Profits for the year now stand at $593,111 as against $463,059 for 1924. The company's current assets amount to $1,144,855 which is an increase of more than $2,000 from the 1924 figure. Current liabilities amount to $345,006 against $162,557 the year before.

As reflected in the very satisfactory report of the company released this week and discussed in detail elsewhere in this issue, the business of the company has been enlarged by the addition of certain lines of collateral products which have been found to be very remunerative. These comprise mainly quadruplicate and quintuplicate sales books. With shrewd and careful management through the period of depressed business, the company has emerged in a strong financial position, and the market outlook for its products both in Canada and the United States is very favorable. With the enhanced purchasing power which characterizes the Canadian market this year, the company expects an exceptionally good year.

The record of the preferred issue has been steady. As a consequence of abnormal business conditions during the war period, no dividend was paid on the preferred during 1915 or 1916. On February 1, 1917, a dividend of 1¾ per cent. was paid and has been paid quarterly since. In 1920 and 1921 the company paid 3½ per cent. and in June, September and December, 1922, 1¾ per cent., the dividend for December, 1922, being the final payment on account of arrears of preferred dividends. The high and low range of the preferred stock in recent years was:

	1920	1921	1922	1923	1924	1925
High	83½	79¾	95	93	95	95
Low	70	70	78¾	86⅞	83½	88

AGED WOMAN LOST IN HEARST PROJECT

Sold School Bonds Believing Music Company Stock Was Better Investment

WINNIPEG.—A pathetic story of how she had sold two debentures of the St. James school, which were bringing in a regular interest of 6 per cent. in order that she might purchase stock in the Hearst Music Co., which at the time looked golden, but later proved worthless, was told by Mrs. Flora Edie, aged resident of East Kildonan, who holds 14 shares in the defunct music concern, in giving evidence in the preliminary hearing of Joseph X. Hearst, on charges of theft and fraud, being held in provincial police court before Magistrate H. Lacerte.

"I thought the Hearst stock looked better than the school bonds," she sadly admitted.

Mrs. Edie's first venture into high finance came when she purchased her first share in the Hearst Music Co., from James Hill, stock salesman, buying the shares for $100 and paying Hill in cash. Apparently satisfied with her first purchase, she later bought another share, and still another, paying the same price and making immediate payment in cash. In each case she received receipts, but destroyed them.

A short time later, urged on by the receiving of a small dividend, Mrs. Edie purchased five more shares, this time paying $115 per share. Payment as usual was made to Mr. Hill in cash, and it was this payment which necessitated the sale of the school debentures. Another purchase of two more shares was made, the price paid having risen to $120 per share, while a short time later, three more shares were purchased, being paid for with dividends received from the company and a small amount of cash. Mrs. Edie then held 12 shares in the Hearst Co., and when the time came to surrender this stock for new holdings in the new federal company, she was allowed a dividend of one share and $20 toward another. She then paid an additional $80 and obtained 14 shares in the new federal concern.

During the time she held shares in the company, Mrs. Edie received dividends amounting to $739.42. having received $50 on Jan. 5, 1923; $150 on July 5, 1923; $120 on Oct. 10, 1923; $210 on Jan. 5, 1924, and $209.42 on July 10, 1924.

INTERNATIONAL NICKEL

There are certain features in the present situation with respect to International Nickel which, in our opinion, warrant attention on the part of investors, states a circular just issued by Bongard & Co. The company, as is well known, has had a remarkable comeback since the post-war period of depression, when dividends on common stock were passed.

Its business, thanks largely to the wonderfully successful efforts of its research workers, coupled with aggressive selling methods, has been expanding rapidly, and possibilities for the application of nickel and monel metal to other uses than those in which they are at present employed are excellent. At the same time the cost of mining, refining and processing the company's products has been steadily reduced, until to-day all operations are being conducted on the most economical basis.

To Protect Investors Buying Real Estate

CHICAGO.—A call to protect investors against unsound practices of persons who are taking advantage of the high and growing public interest in real estate to exploit the uninformed has been sent out to the 580 member organizations of the National Association of Real Estate Boards by Robert Jemison, Jr., of Birmingham, Alabama, president. The call was sounded in an address given at New Orleans upon the occasion of his formally assuming the presidency of the association.

"Never before in my experience was the public interest in real estate greater," Mr. Jemison said.

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Asbestos Corporation of Canada Limited, Montreal

Notice R Exchange of Securities

To the Shareholders
of Asbestos Corporation of Canada, Limited.

Referring to our circular letter of November 20th, 1925, we beg to advise you that at the Special General Meeting of the Preferred and Common Shareholders of the Company held December 18, 1925, By-Law "E" of the Company's By-Laws, authorizing the sale of your Company's undertaking and assets, was unanimously sanctioned and approved and in accordance therewith, your Directors have sold to Asbestos Corporation, Limited (the New Company), the entire undertaking and assets of Asbestos Corporation of Canada, Limited (the Old Company), and have received as part consideration the following fully paid securities of Asbestos Corporation, Limited (the New Company):

$4,000,000 face value 6 per cent. General Mortgage Bonds;
4,100,000 face value 7 per cent. Non-Cumulative Preference Shares of the par value of $100.00 each; and
77,000 no par value Common Shares.

You are now entitled to receive in exchange for your present share holdings in Asbestos Corporation of Canada, Limited (the Old Company), securities of Asbestos Corporation, Limited (the New Company), as follows:

PREFERRED SHARES

For each $100.00 Preferred Share held of the Old Company:

$100.00 face value 6 per cent. General Mortgage Bonds (the New Company).

1/5 share 7 per cent. Non-Cumulative Preference stock (the New Company).

1-1/10 No Par Value Common Shares (the New Company).

COMMON SHARES

For each $100.00 Common Share held of the Old Company:

1-1/10 Shares 7 per cent. Non-Cumulative Preference stock (the New Company).

1-1/10 No Par Value Common Shares (the New Company).

You are hereby requested to sign and forward on or before 15th March, 1926, the enclosed form to the Prudential Trust Company, Limited, 9 St. John Street, Montreal, together with Stock Certificates covering your holdings in Asbestos Corporation of Canada (the Old Company), endorsed in blank, with your signature thereon guaranteed by a bank or a member of a Stock Exchange, for surrender in exchange for the securities of Asbestos Corporation, Limited (the New Company), to which you are entitled.

In order to facilitate the exchange and adjust fractional holdings, arrangements have been made with the Prudential Trust Company, Limited, whereby for the purpose of adjustment it will buy or sell fractional shares at the rate of $75.00 per Preference Share and $25.00 per Common Share of the New Company without any commission or charge therefor, and for this purpose, if entitled to a fractional share, you are requested to fill in the Buying or Selling Orders in the enclosed form, whichever you may desire. Certificates will not be issued for fractional shares of the New Company.

The transfer books of Asbestos Corporation of Canada, Limited (the Old Company), will be kept open until the 15th March, 1926, and in the event of any Shareholders wishing to have the shares of the New Company, to which they are entitled registered in a name other than their own, it will be necessary to effect a transfer before that date of your present holdings on the books of the Old Company before the above exchange can be effected.

Any shareholder whose address has been changed should notify The Royal Trust Company, Montreal, as otherwise the Shareholder's address will be recorded in the books of the New Company in the same manner as it was in the books of the Old Company.

ASBESTOS CORPORATION OF CANADA, LIMITED,
J. T. McCALLUM,
Secretary-Treasurer.

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IRRIGATED UNIT DOES WELL

EDMONTON.—Crop returns from the Vauxhall irrigated unit of the Canada Land and Irrigation Co. tract show that the total production value of the unit per acre in 1925 was $35.84.

Tenders and Bylaws

Mar. 3—Revelstoke—$60,000, 5 per cent., 15-instalment debentures. W. A. Gordon, city treasurer. (See announcement on page 16).

March 11, Dalhousie, N.B.—$60,000, 5½ per cent., 25-year school bonds. J. B. Delaney, Sec. Board of School Trustees, District No. 1, Dalhousie, N.B.

Feb. 22, East Wakefield, P.Q.—$2,000, 6 per cent. term bonds. F. A. Labelle, sec.-treas.

Feb. 23, Uxbridge—Balance of 10-year, 5½% pavement debentures. Original issue $29,000. M. H. Crosby, town clerk. (See announcement on page 16.)

BRITISH COLUMBIA

The following certificates have been issued by the municipal department of the Province of British Columbia upon the following dates: Nov. 18th, 1925—Point Grey—By-law No. 176, Local Improvement Debenture, $22,355, fifteen years at 6 per cent. Nov. 18th, 1925—"Trail Creek Channel Debenture By-law," $35,000, twenty years, 5½ per cent. Dec. 4th, 1925—Township of Spallumcheen—By-law No. 263 as amended by By-law No. 269, $2,500, ten years, 6 per cent. Dec. 28th, 1925. Point Grey, "Park Purchase and Loan By-law" No. 534, 1925, $47,000, forty years, 5 per cent. Dec. 28th, 1925. North Vancouver "Treasury Note Redemption By-law 1925," By-law No. 659, $150,000. January 20th, 1926. New Westminster, By-law No. 568, "Market Debenture By-law, 1925," $45,000, ten years, 5 per cent. January 22nd, 1926—Kamloops — By-law No. 435, $1,127, ten years, 5½ per cent.

MANAGER FORM OF CITY GOVERNMENT MORE EFFICIENT

Turns Council Members Into Board of Directors of Business Concern

From Our Own Correspondent.

Probably the outstanding feature of the city-manager form of municipal government is that the civic administration problem is changed to a business proposition. Responsibility can be more accurately located, and this is essential. As pointed out by the Bureau of Municipal Research in the third study of a series on this question, it is difficult or impossible for the council or the manager, to shift the blame, in case of an error, to other shoulders.

Another very important advantage in this form of government is that it makes it easier to secure good candidates since members of the council do not have to devote so much time to trivial details and to tiresome meetings. The various details with which so many old form civic governments struggle in vain, are passed on to specialists. All that is left to take the time of the administrators are the big issues. Thus better men can be secured. Furthermore, members are obtained for the council who do not consider themselves administrators and hesitate to offer themselves to the electors. They become members of a board of directors and their duties are dealt with in the same way as any other business proposition. Only in this way can efficient government be obtained.

Taking the same matter a step further, the city-manager form of government prevents the exercise of authority by any individual or group, except through voting in council. Cooperation is facilitated and overlapping brought to a minimum by providing a general manager who will see to the orderly promotion of business, rather than allowing factions to control the situation or failing to detail definite work to specific parties so that the responsibility, even in detail business, can be placed.

Centralizes Budget Control

Looking at the financial side of the question, the city-manager form of government has a very definite advantage in having one individual who can take a comprehensive view of all departments, who is in a position to make the proper allotment among the departments, and who sees the relative merits of the various requests for larger allowances. In this way, interdepartmental competition for funds is eliminated or reduced, and a more economical and equitable distribution of funds is made possible. For the same reason provision is made for standardizing accounting, reporting and budget making and for the centralization of purchasing. In this and similar ways, a more economical administration of a municipality's funds is made possible.

Looking at the matter from a more general viewpoint, it is advantageous that a true profession of municipal administrator should develop. This very important matter has too long been left to haphazard, unskilled administrators. In the same way the new plan stimulates citizen interest as it provides the citizens automatically with condensed, city-wide information on financial and other matters. It presents but few candidates at a time, "so that citizens have a better chance to learn something of them and it affords a form of organization so simple that the average citizen can understand it without taking a supplementary course in civics."

McLeod Pulp & Paper Exempted From Taxes

MONTREAL.—The McLeod Pulp and Paper Company, of Milton, N. S., of which Frank J. D. Barnjum is the chief shareholder, has been granted an exemption from taxation for a period of 20 years for the projected $5,000,000 newsprint mill at Liverpool, N. S.

Mr. Barnjum has announced that work on the mill will begin in the spring. Engineers have been employed on the site for several weeks; it is expected that the work will be rushed to completion.

MAY EARMARK MOTOR TAXES

Revenue from the Manitoba tax on gasoline and automobile licenses may be earmarked exclusively for the construction and maintenance of roads, according to Premier Bracken. Such a move would provide approximately half a million dollars for road construction. There were 44,322 motor vehicles registered in the province in 1924.

Revelstoke's Finances In Strong Position

The recently issued financial statement of the city of Revelstoke, for the calendar year 1925, indicates a strong position. Current assets increased during the year from $36,768 to $105,344. Liabilities rose from $133,479 to $82,124. The sinking fund has strengthened by about $12,000, from $191,541 to $203,238. The council has cancelled $200,000 outstanding debentures most of which do not mature for some years. Besides leaving the sinking fund with a surplus, this releases $10,000 for other purposes in 1928. In spite of some reductions in expenditure, there was a deficit at the end of the year of $578. The gross debenture debt increased during the year from $542,000 to $586,500. In general, the city has made very satisfactory progress during the year.

Revelstoke is to be congratulated upon the effectiveness and clearness of its new form of statement. Comparative statements of assets and liabilities are shown in detail, and the distribution of revenue and expenditure is shown by separate items in tabular form. A successful attempt has been made to meet the requirements of the investment banking houses with regard to the type of information wanted. A comparison with the previous year is facilitated and the progress made during the period under review is seen at a glance.

This Week's Bond Sales

WELLAND ISSUE

The issue of $285,000 5 per cent. 30-instalment bonds of the City of Welland were awarded to Royal Securities Corporation at 99.91, or at a cost basis of 5.01 to the municipality. Tenders follow:—

Royal Securities Corp.	99.91
Brouse, Mitchell & Co.	99.89
Wood, Gundy & Co.	99.88
Fry, Mills, Spence & Co.	99.82
R. A. Daly & Co.	99.79
Matthews & Co.	99.77
McLeod, Young, Weir & Co.	99.626
A. E. Ames & Co.	99.73
Dyment, Anderson & Co.	99.631
Gairdner & Co.	99.53
C. H. Burgess & Co.	99.51
Macneill, Graham & Co.	99.47
Dominion Securities	99.056

GALT BOND ISSUE

Dominion Securities Corporation were awarded the issue of City of Galt, $46,460, 5 per cent. 20-instalment and 40-year sewer and collegiate bonds on a bid of 100.07. The bids were:

Dominion Securities Corp.	100.07
J. A. G. Clarke & Co.	99.87
Dyment, Anderson & Co.	99.87
Waterloo Trust	99.76
C. H. Burgess & Co.	99.777
Brouse, Mitchell & Co.	99.76
Midand Loan & Savings	99.695
Wood, Gundy & Co.	99.65
Aird, McLeod & Co.	99.65
Gairdner & Co.	99.62
McLeod, Young, Weir & Co.	99.48
R. A. Daly & Co.	99.45
Fry, Mills, Spence	99.432
Bell, Gouinlock & Co.	99.40
McDonagh, Somers & Co.	99.31
Macneill, Graham & Co.	99.13
Cochran, Hay & Co.	99.01
Hanson Bros.	98.923
Matthews & Co.	98.91
Municipal Bankers Corp.	98.746
Toronto Bond Exchange	98.39

BARRIE BONDS SOLD

An issue of $113,000, Town of Barrie, 5 per cent. 15-year instalment bonds has been awarded to Dyment, Anderson & Co., on a bid of 100.091. Following are the bids:

Dyment, Anderson & Co.	100.091
A. E. Ames & Co.	100.03
Brouse, Mitchell & Co.	99.99
R. A. Daly & Co.	99.95
McCoo, Padmore & Co.	99.89
McDonagh, Somers & Co.	99.877
H. P. Bain & Co.	99.86
Royal Securities	99.82
Gairdner & Co., Ltd.	99.812
Matthews & Co., Ltd.	99.81
MacNeill Graham & Co.	99.792
McLeod, Young, Weir & Co.	99.73
Wood, Gundy & Co.	99.70
Harris, MacKeen & Co.	99.69
Aird, McLeod & Co.	99.67
Municipal Bankers Corporation	99.67
Roberts, Cameron & Co.	99.64
Cochran, Hay & Co., Ltd.	99.63
C. H. Burgess	99.61
Hanson Bros.	99.61
J. A. G. Clarke & Co.	99.577
Fry, Mills, Spence & Co.	99.54
Bell, Gouinlock & Co.	99.52
MacKay and MacKay	99.50
Toronto Bond Exchange	98.66

TORONTO CUTS ESTIMATES

The total expenditure of the city of Toronto for the current year will be $29,984,000 and of this $8,753,000 will go towards the costs of education according to statistics released this week. The Board of Control has struck the tax rate at 29.50 mills against last year's rate of 29.85. A reduction of $386,000 was made from expenditures. The total amount of taxes levied under the general rate of 19.80 mills will be $16,281,161, and under the Board of Education rate of 9.70 mills, $8,763,000, making a total taxation of $25,044,160. The budget will be considered at a special meeting to be held next week.

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CONVENTION DEALS WITH DEVELOPMENT HUDSON BAY AREA

Manitoba Economics Conference Studies Growth of Natural Resources

WINNIPEG.—A motion to have the government of the province of Manitoba send a delegation before the Dominion government to press for the completion of the Hudson Bay Railway was the outstanding feature of the third Manitoba Economics conference held this week. The resolution read:

"That this conference reaffirms the resolution passed at the last conference for the immediate completion of the Hudson Bay Railway and that the executive approach the provincial government and request them to send a delegate, or delegates, to interview the Dominion government and to present the facts adduced at this conference in view of the estimates which are being prepared for the road's completion."

Referring to the natural resources that would be made available by the completion of the road, one of the delegates, Frank H. Martin, stated that there was reason to expect the growth of two large cities on the shores of Hudson Bay and that the Nelson River had greater power than the St. Lawrence and the Niagara combined, and could be more cheaply developed, because there were no concessions to pay for. He stated that there was potential revenue of $100,000,000 in the water power of the Nelson. Reference was also made to the millions of cords of pulpwood close to the water power sources. The smelting of the iron ore in the Hudson Bay area was also suggested. The mayor of The Pas made a strong case in favor of a branch to the Flin Flon mine from the Hudson Bay road rather than from the Canadian Pacific through Northern Saskatchewan. Brigadier-General Paterson stated that this route would save at least $14,732,000 in a single year in crop transportation costs.

Natural Wealth Wasting

Dr. R. C. Wallace declared we had not paid enough attention to our non-metallic resources, especially in southern Manitoba, where they are handy. These included building-stone, sand, clays, cements and cement materials. The fur situation was serious, he stated, in that various districts were being "trapped out." He advocated a change in the game license system which would confine a trapper to a certain area for a certain number of years. This would tend to make him conserve the available game. The muskrat and beaver had been badly depleted.

Fur farms were becoming quite common in Manitoba and had in the last two years sprung up like mushrooms, there now being 52, Dr. Wallace stated.

The fisheries were holding their own well, as far as supply was concerned, but it was deplorable that not more of the home catch was consumed in the province.

The tremendous growth of diversified farming in the last three years was emphasized and pointed out as one of the most hopeful developments in the economic situation of the province. Pointing to the change achieved in this direction, Premier Bracken stated that honey alone was now almost as great a source of wealth to the province as any of the basic industries with the exception of agriculture, such as fishing, lumbering or mining. Agriculture and its various branches were worth just 20 times as much as all other basic industries put together.

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BOND MOVEMENTS OF THE WEEK
Week Ending February 16

	Int. Rate	Due Year	Yield	Range 1925 High	Range 1925 Low	Range 1926 High	Range 1926 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos	5	1942	5.26	99	80¼	97	92	97	..	97	..
Can. Canners	6	1950	6.36	96¼	90	95½	94	95½	95	95½	95
Cons. Rubber	6	1946	5.88	101	95	101¾	101⅜	101¾	..	101¾	..
Montreal Trams (A)	5	1955	5.47	98¾	92¼	93½	92½	93	..	93⅛	93
Quebec Rly.	5	1939	5.62	98	89¾	94	91⅞	..	93½	94	..
Steel of Can.	6	1940	5.27	106	103	107½	106	..	107½	107½	..
Wayagamack	6	1951	6.25	98¾	84¼	96¾	92	96	..	96¾	96
War Loan	5	1931	4.55	102.65	101.10	102.40	101.80	102.40	102.30	102.25	102.00
Do.	5	1937	4.50	104.95	103.80	104.60	103.85	104.65	104.50	..	..
Victory Loan	5½	1927	4.10	103.15	101.70	102.40	101.85	102.40	102.30	102.30	102.00
" "	5½	1933	4.55	107.00	105.10	106.75	105.10	106.40	106.25	106.75	106.15
" "	5½	1934	4.93	104.80	103.20	104.10	103.20	104.10	104.00	104.05	103.20
" "	5½	1937	4.50	110.00	108.15	109.25	108.55	109.35	109.25	109.25	109.15
" Refund	5	1928	4.60	104.45	100.15	101.05	100.55	100.15	100.85	101.05	101.00
" "	4½	1940	4.83	97.25	92.20	96.60	96.30	96.55	96.45	96.60	96.30
" "	5	1943	4.85	102.90	101.15	101.90	101.40	101.85	101.75	101.90	101.50
" "	4½	1944	4.68	97.75	96.20	97.15	96.25	96.85	96.75	97.00	96.25
" Renewal	5½	1927	4.60	102.95	100.80	101.70	101.20	101.65	101.55	101.50	101.30
" "	5½	1932	4.93	104.20	102.65	103.40	102.65	103.40	103.30	103.40	..

WEEKLY RECORD OF CANADIAN FINANCING

Place	Date	Sold To	Rate	Maturity	Amount	Price	Yield
		MUNICIPAL					
Bond Sales—							
Barrie	Feb.	Dyment, Anderson & Co.	5%	1941	$113,000	100.091	5.00
Galt	Feb.	Dominion Securities Corp.	5%	20 & 40 yrs.	46,460	100.07	....
Notre Dame des Bois, Que.	Feb.	Credit Municipal	5½%	1938-45	8,000	....	...
New Westminster	Feb.	Locally	5%	1953	45,000	....	...
Welland	Feb.	Royal Securities Corp.	5%	1956	285,000	99.91	5.01
Stock Issues—		CORPORATION					
Pure Food Stores, Ltd.	Feb.	McLeod, Young, Weir & Co., and Housser, Wood & Co.	7%	Pref.	$175,000	....	....
Bloor—St. George Realty	Feb.	Gairdner & Co.	7%	1946	510,000	100.	7%

Insurance for Buyer and Seller

EACH INSURANCE BUYER MUST GET HIS OWN POLICY

So Rules Ontario Superintendent in Automobile Insurance Fight

Progress in bringing about uniformity of practice in the writing of automobile insurance is reported by R. Leighton Foster, superintendent of insurance of Ontario. Mr. Foster lays down his interpretation of some of the disputed points.

First ruling of the superintendent, offered for discussion by a committee of those interested in automobile insurance, is that a written application for insurance from a purchaser of a car is necessary when a car is purchased on the instalment plan. This ruling aims to eliminate the execution of an insurance application for a finance corporation on behalf of a car buyer.

Second ruling also is aimed at the finance companies and requires that each car buyer get an individual insurance policy, instead of a participation in a master policy.

Third ruling reiterates the superintendent's stand against discrimination in automobile insurance rates.

The superintendent's memorandum says:

"Under date January 5, you were invited to be represented at a conference at the Parliament Buildings, Toronto, and to present your views to the superintendent with respect to what is commonly referred to as Wholesale Automobile Insurance, i.e., the insurance of automobiles purchased on the deferred payment plan usually financed through so-called finance or acceptance corporations. The conference was held on the 21st January and after a full day's discussion, the following committee was nominated representative of your several interests, viz.: Insurers, F. C. Browning, Globe Indemnity, Montreal; A. E. Dawson, Toronto Casualty, Toronto; V. Evan Gray, C. A. U. A., Toronto; and Hedley C. Wright, Zurich, Toronto. Agents: Cecil Bethune, Ottawa and Charles J. Harvey, Toronto. Finance Corporations: R. F. Given, Continental, and A. O. Heather, G. M. A. C. Manufacturers: E. O. Austin, Ford, and O. M. L.: W. G. Robertson, Toronto.

"The committee held its first meeting on February 5, in the office of the superintendent. C. E. Chandler, Western, Toronto, substituted for Hedley C. Wright; E. O. Austin, Ford, was absent; J. H. King, C. A. U. A. and L. C. Evans, London and Lancashire, were also present. It was agreed that the immediate problem was the reconciliation of the existing practice with the existing law and that further meetings of the committee would be necessary in order to make possible the completion of a comprehensive report to the superintendent covering the vital questions of practice and legislative policy involved in any ultimate solution of the major problem. It was further represented that while the act contemplates insurers and other persons subject thereto satisfying themselves as to what is a sufficient compliance with the law, the enforcement of the law is the direct responsibility of the superintendent and accordingly it was in the best interests of all parties that the views of the superintendent as to the intention and interpretation of the law should be made known at an early date. The discussion proceeded along the lines indicated and the following statement is issued after submission to and general endorsation by your committee.

"1. Written Application: The act prohibits an insurer effecting a contract of automobile insurance in the absence of an application therefor in writing, signed by the applicant, or by his agent authorized in writing signed by the applicant. The superintendent is authorized to approve a modified form of application, where in his opinion, the particulars required by the usual statutory form are inapplicable to any special form of policy. No case was made out for the present amendment of these provisions. The superintendent is of opinion that a written application upon the statutory form, except where modified with the approval of the superintendent, must be obtained from every purchaser of an automobile whether purchased for cash or on the deferred payment plan, and that the execution of the written application on behalf of the purchaser by a finance corporation, a dealer, or an insurance agent was not contemplated by the law and should be discouraged.

"2. The Contract: There is no statutory authority for the existing practice of some finance corporations negotiating a so-called 'master' contract with an insurer and delivering so-called 'certificates of participation' to purchasers. The only instrument contemplated by the law is a 'policy'—a self-contained contract of insurance—omitting any reference to a 'master' policy and completed in accordance with the provisions of section 166 of the act. The policy is required to contain inter alia a copy of the written application or such part thereof as is material to the contract, and the amount of premium paid for the insurance. The superintendent is of opinion that the law requires, in connection with finance business, the issue to individual purchasers of such a self-contained contract in the name of the insured purchaser, with loss, if any, payable to the purchaser and the finance corporation, as their respective interests may appear.

"3. Premium Rate: The law prohibits a rating bureau or insurer fixing or charging a rate which discriminates unfairly between risks of essentially the same physical hazard in the same territorial classification. The superintendent will regard as a contravention of that law, the fixing or charging by any rating bureau or licensed insurer of any rate in connection with wholesale automobile insurance differing from the rate filed with the department for risks of essentially the same physical hazard in the same territorial classification."

Insurance Personals

J. M. Thomson, formerly manager of the Union Bank of Canada at Shelburne, Ont., has been appointed Guelph manager for the Dominion Life.

Dominion Life has established a branch at North Bay under D. F. Cornell.

Stresses Need of Selling Right Policy at the Start to Give Better Service

At the February meeting of the Calgary Life Underwriters' Association, A. McTeer, local manager of the Sun Life Assurance Company, gave a practical talk to the life underwriters on the need of education for life insurance work. Folowing are some of the points stressed by Mr. McTeer.

Quality in life insurance consisted in the selling of the policy best suited to the client and his family's needs.

Underwriters' advice and judgment and proper valuation of his client's requirements constituted the greatest service a life underwriter could render.

Both the factors above named had an effect upon the price at which life insurance was secured. Unless a man was sold the proper policy, he might feel obliged to change to some other plan. Mr. McTeer pointed out that every such change increased the net cost of insurance to the assured.

"Life insurance to-day, in spite of its wonderful strides, is of itself no more popular than it ever was, representing as it does the act of self-denial on the part of the one who takes it," declared Mr. McTeer. "When life insurance is geared up to the desires and responsibilities of men, it becomes a very attractive subject to them.

"Life insurance has to do with every wealth getting, and every wealth-using plan of men, hence its adaptations to life are almost endless. Touching as it does the problems of taxation, investment, law, business and commerce, trustee relationships, the descent and distribution of property, banking, and sociology, life insurance affects human beings in nearly all their activities.

"The multiplicity of situations which life insurance serves calls for a wide experience and study on the part of the underwriter. Education and sacrifice are two vital necessities of the underwriter, if he seeks to raise his work to the rank of a profession."

CANADA NATIONAL REPORTS PROGRESS

Improved Financial Position Reported to Shareholders at Annual Meeting

From Our Own Correspondent.

WINNIPEG.—Improvement in the financial position of the Canada National Fire Insurance Company was reported to the shareholders at the annual meeting. The improvement in fire insurance conditions together with the better outlook in general business throughout the West is reflected in the report, which is highly optimistic for increased business during the coming year.

The gross amount of new business written in Canada by the company last year was $18,870,631, an increase of $1,718,532 over the 1924 figures, while the gross premium income in all fields of operation totalled $828,267. The company's gross insurance in force at the end of 1925 was $33,507,846, the premiums on this business amounting to $445,814. Re-insurance in force at the close of the year on Canadian risks totalled $9,643,960, while the premiums thereon were $121,768. Net insurance on Canadian business in force at the year end amounted to $23,863,886.

The total assets on December 31, 1925, were $3,028,462, made up principally as follows: mortgage loans, $1,529,695; stocks and bonds, $191,759; head office building, $329,518; other real estate, $582,772; agents' balances, $30,124; balances due from foreign companies, $182,344. The paid-up capital amounts to $1,894,008. Government reserve for unearned premiums in all fields of operation was $227,103; while re-insurance premiums totalled $45,659. The combined contingent reserve and net surplus amounted to $623,561.47, or 32.92 per cent. of the company's' paid-up capital, which compared very favorably with the percentage of 28.64 at the close of the previous year. Net surplus to policyholders showed a gain of over $41,000 and stood at $2,277,570.25. The directors transferred the sum of $40,000 from the surplus profits of the year to the contingent reserve, bringing that fund to $240,000.

The revenue for 1925 consisted of $776-153.23 brought forward from 1924; $103,248.48 profits on mortgages, and net insurance premiums after deducting those for re-insurance, $746,588.06. The general expenses were $329,423.86, and the net losses less re-insurance were $410,985.05.

All the retiring members of the board were re-elected, and at a subsequent meeting of the newly-elected board, E. L. Taylor, K.C., was elected president; Messrs. W. J. Boyd and F. H. Alexander were elected vice-presidents, and W. T. Alexander, managing director.

Attain Auto Leadership

The Editor, The Financial Post:

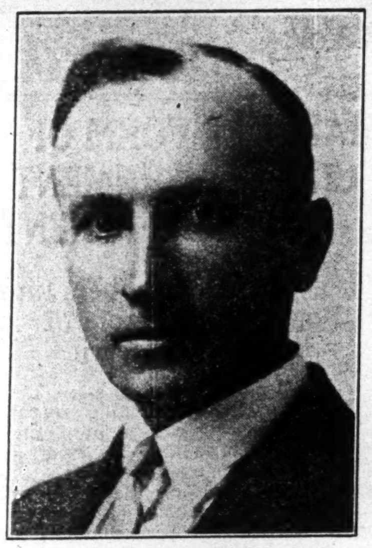
In the current week's issue of The Post appears under the heading of "Your Investments," a question by "F.S., Ontario," inquiring for the names of the five largest Canadian companies trading in automobile insurance. Your reply makes reference to five companies, but not one of these companies is a Canadian company of Canadian capital.

Disregarding this fact your list still fails to include in proper order and point of volume the name of this company which, in 1924 had a net premium income in automobile insurance amounting to $274,973.

It occurred to me that you would be glad to have this correction called to your attention and that you might also be interested to learn that in 1925, the Toronto Casualty Company, a purely Canadian company of Canadian capital led all companies—British, foreign or Canadian in the transaction of automobile insurance, with a net premium income of $407,000.

Toronto Casualty, Fire and Marine Insurance Co., Toronto.

The Dominion of Canada Guarantee and Accident Insurance Company of Toronto also point out that they should have been included in the list. Their premiums in automobile insurance in 1924 totalled $238,600.



A. G. WEISS,

who has been appointed assistant manager of the Canadian Hardware and Implement Underwriters, Winnipeg, succeeding F. B. Dalgleish, who has been made manager. Mr. Weiss is transferred from the company's head office at Owatonna, Minn., after six years' service. He will be in charge of underwriting in Canada.

WESTERN ASSURANCE

At a meeting of the shareholders of the Western Assurance Company, bylaws were passed providing for the cancellation of a portion of the present preference and common capital, and the issue of new preference and common at a premium. The result of this re-arrangement of the capital will be to give the company a good surplus in excess of all liabilities, including capital stock, and will enable it to resume payment of dividends on its common stock.

UNCLAIMED ESTATES

EDMONTON.—According to a decision of the appellate court, unclaimed estates of those dying in the province since 1911 will go to the university, all other unclaimed estates accumulating between 1905 and 1921 going to the provincial treasury. It is estimated that estates to the value of between $75,000 and $100,000 will be affected.

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These dividends are provided in the form of guaranteed coupons attached to the policy. You clip your first coupon in 1927 and from then on their guaranteed cash value increases each year. If you leave the coupons untouched, the policy will be paid up in 15 instead of 20 years—your dependents protected without further cost to yourself.
Ask your nearest Northern Life Agent about this attractive plan, or write our Home Office.
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Fortify yourself against the unforeseen, the unexpected—safeguard your credit resources—with one of our Policies of Credit Insurance. It will be an endorser for every 1926 debtor.
Furthermore, the service we render is so thorough and so complete that very frequently, a client's *normal* credit loss is reduced, and he is saved many times the moderate premium paid for the policy.
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A flat rate which disregards the exposure to hazard and accident record, provides that the man tied to his office desk all day and using his car chiefly at week-ends shall pay the same rate as a doctor or real estate agent whose car is an all-day exposure to risk.
To prohibit discrimination in rates among motor car owners and drivers means a levelling up of rates—the public generally bearing the added cost of the poorer risk.
By a wise and fair discrimination in rates among motor owners this Company has been able to build up what is now
The Largest Automobile Insurance Business in Canada
The Toronto Casualty Fire and Marine Insurance Company
An All-Canadian Company

Current Events in Banking World

N.S.F. CHEQUES COSTLY TO BANKS AND TO BUSINESS

Law to Fine Those Issuing Them Would be a Boon

The action of the Toronto Clearing House in passing a resolution that any cheque once cleared and returned for the reason not sufficient funds must first be certified before it can again be cleared to the bank on which it is drawn, should have a salutory effect in checking the N. S. F. cheque habit. But, while it should curb the nuisance it does not discourage the issuing of such cheques in the first place. That is a point to which consideration might be given by the banks and the clearing houses. The issuing of such a cheque may be an offence under the criminal code but it is difficult to get proof. If it were made a misdemeanor, punishable with a fine and the onus placed on the person issuing the cheque to prove that there were funds at the time the cheque was issued, the nuisance could no doubt be abated.

It is said that the percentage of cheques dishonored because of insufficient funds when presented, is higher in Canada than in any other part of the world. This does not refer to fraudulent cheques, but to those given in the ordinary course of business in payment of accounts. They may be paid eventually, but, until this occurs, they are the cause of much annoyance to everyone, and of considerable expense to the payee, who must continue to chase after the maker to get him to deposit, and then be certain of presenting the cheque before other outstanding items are presented for payment. It is not a question of fraud, as the cheques are issued in payment of accounts, and what really happens is that in this way the maker of the cheque manages to get a few days' extension of the debt.

One well-known man with a reputation for standing off creditors, was said to have remarked to his new bookkeeper, who had suggested that certain outstanding accounts should be paid, "Young man, it is never too late to pay an account." This gentleman had the courage of his convictions, but his attitude was much to be preferred to that of the people who have not the nerve to refuse, and who take this means of stealing a few more days. Some blame the banks for the present unsatisfactory state of affairs, and possibly the ease with which an account may be opened in one of the branch banks, and cheques issued against it, may have something to do with the practice. All the banks could do, however, would be to close out an account when several cheques had been presented before funds had been provided. Some branch managers do this, and as a result are not bothered by this type of customer.

The English System

In England dishonored cheques are conspicuous by their absence. Banking practice there makes it difficult for anyone to open a chequing account with a bank until he has satisfied the officials of his standing and means. Also a customer must carry a certain balance at his credit, and if he neglected to provide funds for the cheques he issued would soon get a notice that his account was closed. Those who enforce the law in Great Britain are not sympathetic towards the type of individual who tries to finance by issuing cheques which the payee has trouble in collecting, and this attitude seems to discourage the practice. American practice is not so rigid, but as a customer there knows that even temporary overdrafts are strenuously objected to by bank examiners, both federal and state, he has no excuse.

In New York a recent law makes the issuing of cheques for which funds have not been provided a misdemeanor punishable by fine or imprisonment or both, and this has naturally lessened the practice. The custom in both Great Britain and the United States of not permitting the depositor to avail himself of the proceeds of cheques he has deposited until the bank has had time to collect them, also works against the practice by preventing "kiting," which is not unknown in Canada.

Refused Cheques Costly

In Canada the custom of permitting depositors to issue cheques against uncollected funds is of long standing, but is indefensible on any rational grounds. Cheques until collected are simply orders to pay, and no matter how solvent the maker may be, the cheques have no earning power until collected by the bank with which they have been deposited. This collection will always be a matter of twenty-four hours, often longer, and the use of the funds prior to their actual collection by the bank simply means that the bank is lending the money without charge for that length of time. If the depositor carries a free balance in collected funds sufficient to cover this advance he has a right to expect the accommodation, but not otherwise. Interest on these uncollected funds at six per cent. works out at nearly two cents per day per $100, and a bank would be justified in making such charges for carrying an account as will pay this, in addition to the cost of handling the account, that is, receiving deposits and honoring cheques drawn against it.

American analysis of cost in banking estimates this handling cost at about three cents per item received for deposit, and the same for cheques paid.

Canadian analysis of costs taking into consideration only the debit side, makes it about five cents per cheque charged, as the cost of operating an account, and the time is very near when this charge must be met by those who carry accounts in the banks. There could be no valid objection by anyone, as depositors would simply be charged a fair price for the service they receive, and no one would object when it was once realized that this cost of service was charged to all alike.

Surplus of Savings Over Current Loans at New High

The December government statement of the Canadian banks again indicates contraction in current loans and at the same time a further increase in savings deposits. The demand deposits are now within about a quarter of a million dollars of the high point in Canada's history in 1921, while the margin of such deposits over current loans is establishing new records. The ratio of current loans to total assets is also getting close to the low point of all time. In a word there is every evidence of large surpluses of money available to take care of any commercial or industrial expansion which may be warranted by improving conditions throughout the country.

Current loans, during December, were reduced by $7,700,000 while savings deposits increased $20,000,000. Current loans for the year were down $35,450,000 while savings deposits increased more than $81,000,000. Total savings were shown at $1,318,800,000 and current loans at $903,200,000, the surplus being more than $400,000,000.

BANK STATEMENT FOR THE MONTH OF DECEMBER

ASSETS

	December 1925	November 1925	Change	December 1924	Change
Immediately Available Liquid Resources					
Specie	$68,687,028	$84,242,495—	$15,555,467	$56,937,426+	$11,749,602
Dom. Notes	156,739,879	148,117,756+	8,622,123	182,188,169—	25,448,290
Gold Res.	71,060,332	70,660,332+	400,000	60,702,533+	10,357,799
U.K. Banks	10,171,955	11,261,433—	1,089,478	9,268,969+	902,986
For. Banks	63,676,177	60,415,454+	3,260,723	70,034,229—	6,358,052
For. Currency	31,612,605	35,351,448—	3,738,843	29,347,286+	2,265,319
Gov. Secs.	351,604,944	363,895,677—	12,290,733	324,471,543+	27,133,401
Call Loans, Ab'd	258,566,588	248,762,846+	9,803,742	187,223,100+	71,343,488
	$1,012,119,508	$1,022,707,441—	$10,587,933	$920,173,255+	$91,946,253
Loans and Securities Other Than Those of Canadian Government					
Pub. Sec.	$138,118,364	$137,910,115+	$208,249	$149,598,740—	$11,480,376
Rly. Secs.	59,847,161	57,170,623+	2,676,538	61,602,560—	1,755,399
Can. Call Loans	135,674,270	143,396,500—	7,722,230	128,198,184+	7,476,086
Current Loans	903,259,725	909,977,043—	6,717,318	938,711,730—	35,452,005
Loans Ab'd	238,482,690	220,067,285+	18,415,405	184,575,762+	53,906,928
Prov. Loans	24,282,326	29,899,151—	5,616,825	22,290,784+	1,991,542
Municipal	52,733,704	61,025,272—	8,291,568	50,137,209+	2,596,495
	$1,552,398,240	$1,559,445,989—	$7,047,749	$1,535,114,969+	$17,283,271
Other Assets					
Non.-Curr. Loans	$9,532,840	$9,786,915—	$254,075	$10,854,644—	$1,321,804
Real Estate	8,326,048	8,531,722—	205,674	8,368,592—	42,544
Mortgages	4,978,691	4,941,568+	37,123	3,880,836+	1,097,855
Premises	72,599,029	72,800,789—	201,760	72,141,738+	457,291
Lets. of Cred.	69,936,562	70,122,256—	185,694	60,760,831+	9,175,731
Loans to Comp.	5,054,930	5,353,319—	298,389	6,439,608—	1,384,678
Other Assets	3,576,147	3,641,678—	65,531	3,715,934—	139,787
	$174,004,247	$175,178,247—	$1,174,000	$166,162,183+	$7,842,064
Total	$2,738,521,995	$2,757,331,677—	$18,809,682	$2,621,450,407+	$117,071,588
Note Cir. Dep.	5,806,968	5,798,789+	8,179	7,176,087—	2,369,119
Int. Bk. Bal.	151,740,894	236,821,521—	85,080,627	177,849,926—	26,109,032
Gross	$2,896,069,857	$2,999,951,987—	$103,882,130	$2,807,476,420+	$88,593,437
LIABILITIES TO THE PUBLIC					
Liability to Government and Circulation					
Circulation	$173,891,566	$183,511,367—	$9,619,801	$165,672,143+	$8,219,423
Dom. Govt.	22,280,261	80,342,471—	58,062,210	24,729,724—	2,449,463
Prov. Govt.	22,345,268	15,825,106+	6,520,162	31,008,131—	8,662,863
Govt. Advances	14,750,000	7,000,000+	7,750,000	30,400,000—	15,650,000
Deposits by Public					
Demand Dep.	597,449,238	654,234,843—	56,785,605	595,325,125+	2,124,113
Savings Dep.	1,318,875,483	1,298,831,228+	20,044,255	1,237,611,267+	81,264,216
Total	$1,916,324,721	$1,953,066,071—	$36,741,350	$1,832,936,392+	$83,388,329
Foreign Dep.	353,793,514	359,675,989—	5,882,475	333,519,621+	20,273,893
Due to Banks Abroad, Etc.					
U. Kingdom	$3,740,571	$6,151,813—	$2,411,242	$7,244,306—	$3,503,835
Foreign	35,905,197	38,133,497—	2,228,300	27,280,603+	8,624,594
Bills Pay.	14,449,743	13,056,682+	1,393,061	11,261,383+	3,188,360
Lets. of Cred.	69,936,562	70,122,256—	185,694	60,760,831+	9,175,731
Other Liab.	1,963,225	1,585,325+	377,900	1,871,123+	92,102
Pub. Liab.	$2,629,380,628	$2,728,470,577—	$99,089,949	$2,526,684,257+	$102,696,371
Due Bet. Banks	11,849,384	16,805,186—	4,955,802	23,030,215—	11,180,831
Liability to Shareholders					
Dividends	$ 793,474	$3,921,120—	$3,127,646	$ 922,646—	$ 129,172
Reserve	125,441,700	125,441,700—	......	122,875,000+	2,566,700
Capital	116,164,660	116,164,660	......	121,909,560—	5,744,900
Gross	$2,883,629,846	$2,990,803,243—	$107,173,897	$2,795,421,678+	$88,208,168

Bank Manager Entertains School Teachers and Citizens

John Elliott, manager of the Standard Bank at Belleville, and chairman of the Board of Education of that city, who, as the Intelligencer points out, "started something many years ago when he began his series of banquets to the dairymen and farmers of the district," has diverted his attention for the moment from the annual gathering of the men of the cheese industry and agriculture generally, "to bring into the limelight a section of the community of mighty, but generally unseen, influence—the school teacher." As chairman of the Board of Education he tendered a banquet to the teachers so that the rest of the community might become acquainted with them. The outstanding speaker at the function was Canon Seager, provost of Trinity University, Toronto, who declared that education in Belleville in the future would take on a new significance and would be on a higher plane with more sympathetic support as the result of this function. At the conclusion of a lengthy report of the proceedings the Intelligencer described the affair as "a great banquet and one that will not soon be forgotten."

Staff Gossip

Mr. Huston, of the Windsor branch of the Imperial Bank, is relieving at Harrow branch, taking the place of Miss Maud Leroy.—Echo, Amherstburg.

Mr. Phurn. Commerce Bank, Yellow Grass, has succeeded Mr. Buckley, of Melville, who left for his new duties at the bank at Melfort, Sask.—Canadian, Melville.

J. L. Bartindale of the Canadian Bank of Commerce staff here, left for Chilliwack, where he has been transferred. —News, Nelson.

Messrs. Lang and Brown, who have been in charge of the local branch of the Montreal Bank, Pt. Lambton for the past few months, have been transferred to the Paisley office staff and are succeeded by F. F. McMackon, of Norwich. —News, Wallaceburg.

Stanley Wright, Canadian Bank of Commerce staff, has been transferred to the Moose Jaw branch.—Standard, Shaunavon.

George Kenzie, for the past three years accountant in the local branch of the Dominion Bank, has received notification of his transfer to the head office of the bank at Toronto. During his stay in Guelph, Mr. Kenzie has gained a host of friends, who will extend their congratulations on his material advancement in the service of the bank with which he is identified.—Mercury, Guelph.

Mr. Gaetz, teller of the Canadian Bank of Commerce here, has been transferred to Lethbridge. His position is being taken by B. E. Orton of Lethbridge. —Times, Taber.

Frank E. Latimer, for the past nine years on the staff of the Brockville branch of the Canadian Bank of Commerce, left for Peterboro to which city he has been transferred in the bank's service.—Standard, Kingston.

A pleasing presentation was made recently at the Imperial Bank office when the staff of the local branch presented F. L. Graham, their manager, with a handsome club bag as a slight remembrance of the friendship of the staff. Mr. Graham is leaving for Golden, B.C., where he has been transferred. Mr. Reed, who has been in the city for some few days, will take charge of the local branch.—Graphic, Portage la Prairie.

The Bank of Montreal has opened a branch at Vulcan, Alta., under the management of D. H. Allan.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES	Feb. 12/25	Feb. 11/26
Halifax	$2,376,706	$2,359,244
St. John	2,368,967	2,662,267
Moncton	667,592	821,468
Sherbrooke	676,540	667,530
Quebec	4,422,677	5,138,494
Montreal	80,366,546	99,949,062
Ottawa	5,289,056	5,476,391
Kingston	401,717	611,905
Peterboro	739,868	629,114
Toronto	78,616,489	96,654,897
Hamilton	4,060,429	3,875,504
Brantford	921,492	981,553
London	2,129,771	2,131,211
Kitchener	749,787	986,592
Windsor	2,737,073	3,511,656
Total East	186,523,510	226,456,886
WESTERN CITIES	Feb. 12/25	Feb. 11/26
Ft. William	$ 721,119	$ 602,708
Winnipeg	59,795,149	39,564,680
Brandon	522,866	461,218
Regina	3,134,191	3,779,873
Saskatoon	1,431,942	1,498,312
Moose Jaw	1,023,418	894,368
Prince Albert	347,693	347,645
Lethbridge	447,643	479,468
Calgary	6,308,436	7,439,863
Edmonton	4,968,634	4,628,011
Medicine Hat	241,457	207,019
N. Westminster	....	598,712
Vancouver	17,268,155	16,007,014
Victoria	1,685,554	2,074,537
Total, West	$97,896,257	$78,573,418

DOMINION NOTE CIRCULATION

OTTAWA.—Dominion notes in circulation at the end of January totalled $214,058,885, against which gold held totalled $127,380,217, or 59.34 per cent. At the end of the previous month the circulation of Dominion notes was $227,168,826; gold held was $134,670,131, and the percentage of gold to notes, 59.0.

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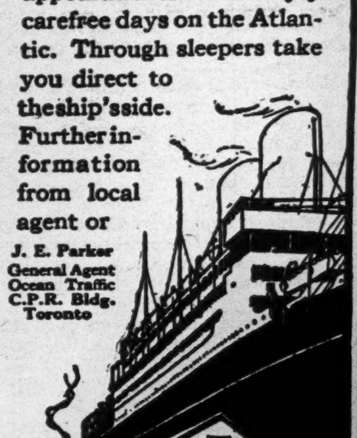

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Return of the Chartered Banks of the Dominion of Canada, December 31, 1925

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of The Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in Circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Gov'nm'ts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notesheld	Greatest amount notes in circ
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	44 330 801	9 633 025	....	3 519 855	165 979 783	366 671 887	85 636 417	2,195,111	1,128,074	5,114,969	647,272	13,346,073	612,395	36,421	29,916,700	29,916,700	758,685,489	31,175,000	12	1 640 460	22 802 053	57 586 407	47 984 746
Nova Scotia	14 700 310	2 489 576	....	1 460 180	31 808 490	117 226 259	36 472 332	1,559,269	172,753	1,299,510	1,258,862	5,410,890	244,452	402,300	19,500,000	10,000,000	244,005,188	15,000,000	16	1 275 880	9 264 216	14 904 874	16 151 541
Toronto	7 917 792	215 238	....	1 073 636	31 576 590	52 301 936	....	633,688	123,225	1,148,646	1,310,175	1,014,234	183,438	2,723	7,000,000	5,000,000	109,501,326	10,000,000	12	813 544	411 969	5 140 440	8 522 105
Provinciale	4 034 148	131 977	....	273 795	5 287 395	29 467 444	....	3,048	....	20,282	....	....	146,320	5,260	1,500,000	3,000.000	43,869,673	5,000,000	9	....	155 779	262 840	4 173 418
Commerce	27 723 334	3 969 010	....	4 330 107	124 076 781	217 101 924	51 057 799	1,080,725	889,667	10,121,266	2,676,882	13,012,993	....	20,852	20,000,000	20,000,000	496,061,346	25,000,000	12	5 027 710	17 897 000	23 452 000	30 648 864
Royal	38 314 807	2 741 910	14 000 000	4 741 130	137 816 077	282 736 960	176 888 799	1,374,592	1,009,993	15,374,517	8,486,477	29,641,412	....	65,535	24,400,000	24,400,000	761,994,215	30,000,000	12	1 600 661	11 285 535	18 047 800	43 328 404
Dominion	7 117 396	1 058 022	....	1 001 635	30 991 576	60 921 941	2 253 987	2,628,403	65,391	1,139,015	70,075	5,888,697	592,623	240,072	7,000,000	6,000,000	126,968,838	10,000,000	12	796 695	2 127 000	7 137 000	7 684 621
Standard	6 556 315	268 124	750 000	1 233 759	20 014 105	47 666 837	....	1,473,462	205,476	599,729	....	390,418	165,000	1,050	2,900,000	4,823,400	87,047,679	5,000,000	12	401 991	859 965	3 529 316	7 241 480
Can. Nationale	12 620 154	619 708	....	1 194 698	19 124 562	79 485 077	1 484 180	571	148,319	614,464	....	686,893	....	4,285	5,500,000	5,500,000	126,976,916	10,000,000	10	104 413	829 183	3 907 928	13 127 569
Imperial	9 717 597	1 087 067	....	3 485 416	28 838 787	63 114 672	....	900,515	3,673	453,482	....	544,952	....	1,262	7,500,000	7,000,000	122,647,428	10,000,000	12	212 515	946 040	8 425 969	10 915 960
Weyburn Security	858 912	64 604	....	31 057	1 935 092	2 180 546	....	....	....	19,317	....	....	18,942	13,714	225,000	524,560	5,871,748	1,000,000	5	62 097	18 328	58 299	1 091 387
Total	173 891 566	22 280 261	14 750 000	22 345 268	597 449 238	1 318 875 483	353 793 514	11,849,384	3,740,571	35,905,197	14,449,743	69,936,562	1,963,170	793,474	125,441,700	116,164,660	288,3,629,846	152,175,000	.....	11 935 966	66 597 068	142 452 873	190 870 095

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stock	Call loans in Canada	Call loans elsewhere	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves * *	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Mlntreal*	26 919 109	56 913 553	3 741 175	953 748	28 847 338	149 844	23 389 979	83 996 894	40 200 332	4 875 679	12 579 916	150 506 802	218 660 101	32 535 896	22 460 093	2 744 709	884 769	1 287 042	12 150 000	13 346 073	1 282 241	20 000 000	1 468 645	814 234	760 708 183
Nova Scotia	9 295 560	22 956 902	1 024 231	2 083 701	11 928 732	....	2 481 446	33 440 738	11 099 059	14 388 372	15 972 356	9 176 863	66 381 707	19 715 146	4 625 215	488 238	59 736	83 225	7 500 703	5 410 890	473 820	6 000 000	....	122 438	244 709 088
Toronto	416 905	5 581 707	610 585	81 227	5 945 988	....	1 285 771	19 977 722	7 267 468	4 180 107	6 057 540	4 500 000	44 487 394	....	1 958 429	191 819	....	69 177	3 329 642	1 014 234	249 267	3 055 866	....	....	110 260 856
Provinciale	163 160	255 722	622 645	94 093	1 723 030	2 509 024	232 052	4 743 147	1 335 287	2 368 222	10 301 207	....	15 072 006	....	1 080 530	208 718	260 052	102 732	1 707 191	....	155 800	700 000	....	300 182	43 934 810
Commerce	10 484 750	19 531 126	2 350 460	2 065 940	22 190 787	1 033	17 623 784	58 647 567	27 781 032	11 771 171	21 880 371	17 022 455	177 164 396	31 039 963	26 886 198	1 847 324	2 191 031	750 249	11 914 123	13 012 993	1 000 000	9 500 000	1 591 384	325 723	498 573 868
Royal †	16 537 965	25 323 024	4 236 792	25 756 920	32 532 025	3 786	20 983 160	83 536 570	27 651 560	16 339 366	37 925 522	54 314 761	183 546 940	153 517 606	9 557 332	2 559 875	2 300 544	1 018 867	15 570 810	29 641 412	1 440 000	17 000 000	1 994 901	949 747	764 239 495
Dominion	2 124 660	10 346 995	773 100	167 869	8 567 251	15	2 938 404	17 085 344	5 280 475	2 918 305	8 180 457	4 630 707	49 946 128	498 012	517 149	279 884	71 913	20 286	5 937 823	5 888 697	314 650	1 200 000	....	245 002	127 933 136
Standard	876 262	3 328 934	577 957	58 783	5 371 614	....	1 254 263	13 377 591	3 475 790	1 844 960	9 563 608	....	38 852 287	....	1 574 567	660 579	285 130	193 480	3 759 350	390 418	258 000	2 200 000	....	108 996	88 012 577
Nationale§	881 934	3 459 971	1 351 900	173 100	4 914 969	472 583	968 367	20 648 823	7 539 800	900 373	7 482 631	1 815 000	57 753 114	688 735	1 819 312	184 815	1 416 062	796 200	5 523 804	686 893	283 419	7 500 000	....	219 976	127 481 791
Imperial	966 721	8 983 460	881 708	175 254	7 836 217	707 735	2 489 733	15 503 006	6 478 247	50 760	5 730 662	6 600 000	49 668 419	487 332	6 525 979	267 330	671 403	562 578	4 963 849	544 952	323 040	3 504 466	....	399 253	124 322 119
Weyburn Security	20 002	58 485	20 965	1 970	59 097	1 788 308	201 173	647 542	9 314	209 846	....	....	1 727 233	....	11 226	99 549	185 408	94 855	241 734	....	26 731	400 000	....	90 490	5 893.934
Total	68 687 028	156 739 879	16 191 518	31 612 605	129 917 048	5 632 328	73 848 132	351 604 944	138 118 364	59 847 161	135 674 270	258 566 588	903 259 725	238 482 690	77 016 030	9 532 840	8,326,048	4,978,691	72,599,029	69,936,562	5,806,968	71,060,332	5,054,930	3,576,041	2,896,069,857

**Of this deposit, $18,910,333 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank in Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

DEPARTMENT OF FINANCE, OTTAWA, FEBRUARY 14, 1926.

The Foreign Exchanges

Conducted by S. J. ZACKS.

Interest in the foreign exchanges was rather slight during past week. The Japanese yen, the Danish kroner, U. S. funds and sterling, all displayed remarkable strength, while the Paris rates were off. Although trading in U. S. funds has not been extensive, the demand for them at a ⅝ cents premium was keen.

On Tuesday the franc at $.0363 touched a new low for the year and was only $.0005½ from the record low touched last December. To say the least, the foreign exchange market was not very enthusiastic over Briand's victory in the Chamber. The market adopted a rather questioning attitude and asked "Was it really a victory?" The character of the bill as finally passed under pressure and to avoid a ministerial crisis was considerably altered from the original. The manoeuvring of the left resulted in the withdrawal of the most constructive elements in the original Bill. The Bill in its present form will still leave a deficit of more than $2,400,000,000 francs, which means that the onus of devising a scheme to meet this deficit has fallen on the Senate.

What the Senate will do with the Bill is an undecided question which will take several weeks' deliberation. In the meantime Briand has avoided a crisis, and his future strength rests largely now with the type of backing the Senate will give him. The Budget will have to be balanced and in order to do this the Senate will have to amend the Bill. Then when the Bill in the amended form comes back to the Chamber, no doubt there will be another display of oratory, haggling, endless chattering and a further shifting of responsibility. This reasoning appears to lead one to believe that another ministerial crisis is not far distant.

New York bankers are still short of the franc. The greater the impression they make on the franc, the better for France. If the fall of the franc is hastened, perhaps the deputies will come to their senses in time to save it.

France had another adverse balance of trade in January, of 614,000,000 francs, the sixth in six successive months. This adverse balance is attributed largely to the high cost of foreign raw materials, the stock of which is beginning to need replenishment.

Another feature in the week's trading was the climb to a new high of the Japanese yen, which on Wednesday reached 46.49, representing a full one cent. increase in a day.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Feb. 11	5-16	1-4	5-32	1-8
Feb. 12	3-8	19-64	7-63	3-32
Feb. 13	3-8	11-32	1-8	3-32
Feb. 15	25-64	23-64	5-32	1-8
Feb. 16	25-64	11-32	5-32	1-8
Feb. 17	25-64	23-64	5-32	1-8

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
Feb. 11	4.86	3.68¾	4.03¾
Feb. 12	4.86	3.68¾	4.03¾
Feb. 13	4.86	3.69	4.03½
Feb. 15	4.86	3.64¾	4.03½
Feb. 16	4.86	3.62¾	4.03¾
Feb. 17	4.86 1/16	3.63¾	4.03⅝

OTHER EXCHANGES

Par		Close Feb. 10	Close Feb. 17
19.30	Italian	4.05	4.05⅛
23.82	German	23.88	23.91
32.45	Brazilian	14.85	14.87
19.30	Belgium	4.55½	4.56½
49.85	Japan	45.14	46.49

Chatham Would Change Bank Holiday to Thursday

The Bankers' Association will be asked to permit the banks at Chatham to change their half holiday from Saturday to Thursday afternoons. The question has been discussed by the Board of Trade, and W. H. Westman has announced that he will bring in a resolution urging the Bankers' Association to permit the change. It is maintained that Saturday is the busiest day of the week in the city both for merchants and farmers and that the banks should be open in the afternoon.

Twenty-one Branches Closed in January

The Canadian chartered banks report the opening of seven new branches during the month of January, and twenty-one branches closed. The Provincial Bank closed eight sub branches and the Royal eight branches. Following is a list of the branches opened and closed during the month:

Opened

Canadian Nationale — Papineauville, Que.; New Port (sub-agency).

Commerce—Amos, Que.

Provincial — Lachute Mills, Que. (sub-agency).

Royal—Montreal, Tramways Terminal, Que.; Rouyn, Que.

Toronto—Owen Sound, Ont.

Closed

Canadienne Nationale—Haileybury, Ont.

Commerce—Dunnville, Ont. (two branches amalgamated).

Montreal—51 King St. W., Kitchener.

Provincial—Lachute Mills; Ham Sud, P.Q. (sub-agency); Paquetteville, N.B. (sub-agency); St. Adrien de Ham, P.Q. (sub-agency); St. Damase des Aulnaies, P.Q.; (sub-agency); Proulxville, (sub-agency); Grenville, (sub-agency); St. Elizabeth de Padoue, P.Q. (sub-agency); St. Antoine de Padoue, (sub-agency).

Royal—St. Leonard, N.B.; Markinch, Sask.; Altamont, Man.; McAuley, Man.; Chinook, Alta.; Sunnybrook, Alta.; Santa Domingo, Cuba; Cumanayagua, Cuba.

Toronto—Cap Madeleine, Que.

North Vancouver to Have a Big New Lumber Mill

VANCOUVER.—The Capilano Timber Company will immediately commence construction of a lumber and shingle mill on the North Shore to cost, when completed, more than $1,000,000, according to announcement by G. G. Johnson, general manager of the company.

Preparation for the foundations and the 1000-ft. wharf which will be built in conjunction with the mill has been proceeding for some time, and more than $150,000 has already been spent on this work.

The new mill, according to Mr. Johnson, will have a capacity of 250,000 feet per eight-hour day, and will employ more than 200.

Any Action on Motor Car Tariff Should be Left to Commission

In view of the uncertainty in the automobile industry as the result of reports that the new budget will contain tariff changes affecting motor cars, Canadian Automotive Trade calls upon Ottawa to come out, without delay, with an announcement to the effect that it is intended to examine the automobile industry by proposed tariff commission and that no action will be taken until a comprehensive report is received from that commission.

In a forceful editorial headed "Ottawa Rings Alarm Clock," Automotive Trade says:

No more alarming news to the automotive industry in Canada and to allied industries has come out of Ottawa since the assembly of the present parliament than the forecast of a reduction in the duty upon American-built motor cars. Ten thousand workmen receiving an annual wage approximating $15,000,000 are threatened with the loss of their jobs. The future of at least two Canadian communities—the city of Oshawa and the Border Cities, are menaced with the probable ultimate slowdown—if not complete withdrawal—of the enormous industrial units which have established there as the immediate outcome of the development in Canada of the automotive industry.

There can be no mincing words. It is incredible that the present government should so completely ignore Canada's industrial future as to pander to the whims of the sectional group.

Dominion Statistician R. H. Coats, B.A., F.S.S., issued a statement a few months ago which showed that there were at the end of 1924, twelve automobile plants in the Dominion of Canada. These twelve plants represent a capital investment exceeding $60,000,000. They were employing, at the time these data were compiled, 9,277 employees, paying out an annual wage of $14,219,000, making use of materials to a value of $64,000,000, and turning out motor vehicles to the value of $88,000,000.

The tremendous production of the automobile industry in Canada places this industry, according to the government's 1922 statistics—the latest available on the subject—seventh among the forty leading industries of the Dominion.

This great industrial organization represents one of the romances of Canada's national progress. It was fostered under the country's policy of protection. It has developed to its present capacity under the policy of protection. Under this policy, for instance, the great plant of the General Motors of Canada, at Oshawa, has grown from the pioneer wagon factory of the senior McLaughlin, to one of the foremost industrial units of the British Empire. To quote a more recent instance, there are the significant plant extensions of the Chrysler Corporation at Windsor, Ontario, extensions immediately compelled within the Dominion because of Canada's growing market, made stable by protective tariff, and because of the possibilities for Empire trade development by reason of an enlarged Canadian content in the Chrysler car's manufacture. These too were the compelling factors in the establishment at Toronto last summer, in an extensive plant, of the Dodge Brothers of Canada, Limited.

Is this to be tampered with by tariff tinkerers at Ottawa?

More than the manufacture of motor cars is at stake.

Not only 10,000 individuals will suffer if Ottawa interferes. In addition to the 10,000 immediately concerned in the making of motor cars, 100,000 persons are employed in relation to the motor car industry and its products, and it is estimated that one-half a million persons in Canada are dependent for a living on the manufacture and use of motor vehicles.

Clearly those politicians who would tinker with the tariff are approaching their goal, namely, that of the reduction in price to the automotive buyer, from a mistaken angle. Possibly this is induced by an endeavor to read the riddle through glasses clouded by information and statistics based upon the sale and profit accruing to a single organization whose products, due to its low cost, carries with it enormous production and sales possibilities, which, properly speaking, have no bearing on the circumstances surrounding the general automotive manufacture in Canada.

Practically every U. S. automotive manufacturer of moment has established manufacturing or assembling interests within Canada. They employ numbers of our Canadian citizens and spend millions of dollars in the country annually. To reduce the tariff on the finished automobile means the killing of the present industry and those suppliers intimately connected with it. It will cause Canadians generally irretrievable loss and will pass back to a foreign country the supplying of the Canadian purchaser, whereas were the government to abolish the duty on components purchased for re-manufacture, and either leave the present duty as it is or raise it upon the finished vehicle, the goal striven for would be attained, without creating the commercial mortality that Canada of all countries can least afford to bear.

Ottawa's astounding rumors come at a moment when the Liberal government has definitely committed itself to the policy of a tariff commission. In short, if Ottawa despatches are correct, the government appears about to step in ahead of its new creation, the tariff commission, and bring about a reduction in a tariff of far-reaching importance before the commissioners have had an opportunity to analyze the situation.

Canada Winning Out Against Pacific Cable Board

(Continued from page 1)

duced their prices materially. And to add to the reasons for Canada's concern over the matter, the Cable Board had all arrangements planned so that two of the partners in the cable, Great Britain and Australia, would make additional profits through terminal charges on messages, although Canada could not make or share such profits.

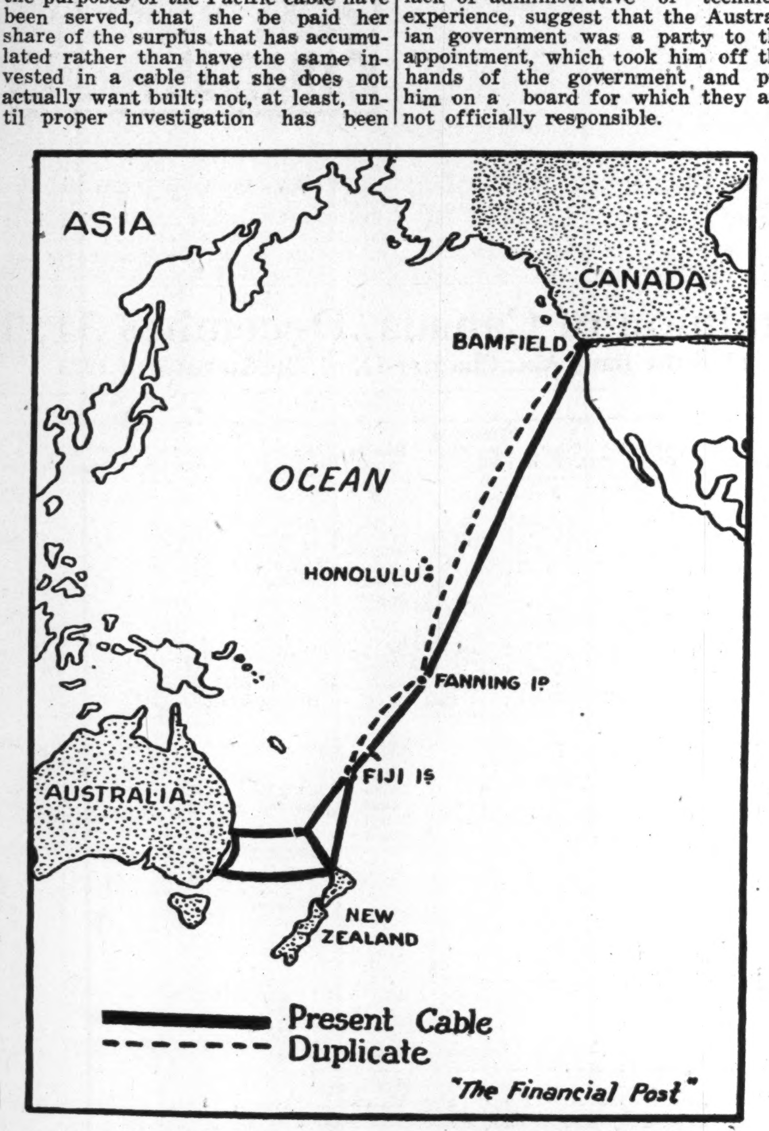
However, despite Canada's series of protests, the board went ahead and awarded the contracts about a year ago, committing the cable to an expenditure of $11,300,000, without the advice, consent, or approval of Canada.

Canada's representatives on the board voted against the awarding of the contracts, and Canada emphatically protested against the unbusinesslike and illegal awards.

Under the circumstances, it is Canada's stand that the Cable Board cannot legally proceed to lay down this duplicate cable from the Fiji Islands to this country. Canada's stand now is that it should be permitted to withdraw from the partnership. The government contends that, since the purposes of the Pacific cable have been served, that she be paid her share of the surplus that has accumulated rather than have the same invested in a cable that she does not actually want built; not, at least, until proper investigation has been made of systems that may prove cheaper and more efficient.

New General Manager Appointed

One of the most recent developments in the dispute is the attempt on the part of the board to get rid of Sir William Mercer, the Colonial Office trained product, who has been acting as chairman, and who has been largely responsible for the present muddle, with its consequent lowering of the dignity and prestige of the board. Canada has protested this change of leaders, demanding he stay on the job until he cleans up the mess he has created. This move having failed, a new general manager has been appointed, but with little more success than in most things the board has done, since the choice fell upon an out-of-work Australian politician. Canada has not taken much interest in Mr. Hunter's appointment but there has been much discussion and criticism in Australia, New Zealand and British papers. The new general manager was director of migration for the Australian government. Australian papers, decrying his appointment and referring to his lack of administrative or technical experience, suggest that the Australian government was a party to the appointment, which took him off the hands of the government and put him on a board for which they are not officially responsible.



Sketch map showing Pacific Cable Board's scheme to duplicate the cable from the Fiji Islands to Canada in defiance of Canada's representations.

Higher Prices Now for Western Lands

WINNIPEG.—Bigger profits, a reduction in property list and an increase in investment account, was shown in the statement for 1925 presented to shareholders at the annual meeting of the Standard Trusts Co.

Profits for the year amounted to $138,257, which after deduction of charges, taxes, etc., left a net balance 20 per cent. greater than last year, which was carried forward. Total carried forward amounts to $52,551.

In his address to shareholders, President Manlius Bull said in part:

"You were told by your managing director a year ago that our farm lands did not average a greater indebtness to the company than $7,50 an acre. Sales effected since we then met averaged $13.04 per acre. A very healthy demand has set in, and we expect to maintain this average and increase the volume and number of sales this coming year. In 1925 we sold 4,434 acres for $54,841, an average rate of $13.04 per acre, and since the first of the year the record is even better, as we have sold to date, in little over a month, 2,398 acres, yielding $34,885, or $14.53 an acre."

Mr. Bull predicted a sharp if not swift comeback for all well managed companies that had had a decline lately in their profits.

VIAU BISCUIT CORPORATION
LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of One and three-quarters per cent. on the First Cumulative Preference Stock of this Company and a dividend of One and three-quarters per cent. on the Second Cumulative Preference Stock of this Company have been declared for the quarter ending the 28th day of February, 1926, payable on the first day of March, 1926, to Shareholders of record at the close of business on the 15th day of February, 1926.

By Order of the Board.

LUCIEN ST. MARS,
Treasurer.

Montreal, 12th February, 1926.

LAKE SHORE MINES, LIMITED
(No Personal Liability)

Dividend No. 24

Notice is hereby given that a quarterly dividend of ten per cent., on the issued capital stock of the Company, will be paid on the 15th of March, 1926, to shareholders of record at the close of business on the 1st of March, 1926.

By order of the Board.

Kirkland Securities, Limited,
Secretary.

Dated at Kirkland Lake, Ontario,
February 15, 1926.

Free Manual
Covers listed New York Stocks, giving high and low prices from 1906 to date, dividends, etc. Also gives high and low prices New York Cotton, Chicago Grain. Send for your FREE copy today. Dept. F-8.
H. C. SCHAUBLE & CO.
63-65 Wall Street. New York

ONTARIO

SALE OF HARDWOOD TIMBER

TENDERS WILL BE RECEIVED by the undersigned up to and including the 15th of April, 1926, for the right to cut the Hardwood Timber, comprising Birch and Maple, on an area in the District of Algoma, partly in the Mississaga Forest Reserve and partly in the section immediately South thereof, subject, amongst other conditions, to the manufacture of same into the finished product within the Province of Ontario.

FURTHER PARTICULARS may be obtained upon application to the undersigned, or the Deputy Minister of Lands and Forests, Toronto, Ontario.

JAMES LYONS,
Minister of Lands and Forests.

N.B.—No unauthorised publication of this Notice will be paid for.

TORONTO—January 22nd, 1926.

The Sherwin-Williams Company, of Canada, Limited

Notice is hereby given that the 59th quarterly dividend of one and three-quarters per cent. (1¾%), being at the rate of seven per cent. (7%) per annum for quarter ending February 28th, 1926, on the Preferred Stock of the Company has been declared payable to shareholders of record the 15th day of March, 1926, and that cheques will be mailed on the 31st of March, 1926.

Books not closed.

By order of the Board.

D. A. WHITTAKER,
Secretary-Treasurer.

Montreal, Que., February 9th, 1926.

The Sherwin-Williams Company, of Canada, Limited

Notice is hereby given that the 22nd quarterly dividend of one and a half per cent. (1½%) for quarter ending February 28th, 1926, on the Common Stock of the Company has been declared payable to shareholders of record the 15th day of March, 1926, and that cheques for same will be mailed on the 31st day of March, 1926.

Books not closed.

By order of the Board.

D. A. WHITTAKER,
Secretary-Treasurer.

Montreal, Que., February 9th, 1926.

DEBENTURES FOR SALE

The town of Uxbridge offers for sale by tender closing at noon on February 23rd, 1926, the balance of an issue of ten year, instalment, concrete pavement debentures, bearing five and one-half per cent. interest.

The original issue was for $29,000.00 dated Dec. 15, 1924, and the first debenture thereunder which matured on Dec. 15, 1925, has been paid by the Town out of taxes raised in 1925. The debenture so paid being for $2,252.37 principal, and $1,595.00 interest, totalling $3,847.37.

Tenderers are to assume all legal expenses. The highest or any tender will not necessarily be accepted.

M. H. CROSBY, Esq.,
Town Clerk,
Uxbridge, Ontario.

FACTORY FOR SALE

The Town of Barrie offers for sale a Three Storey, Cement, Factory Building having a floor space of 37,500 square feet. It is located on the main line of the Canadian National Railways and has a private siding. The building is of strong construction, having formerly been used as a carriage factory. There is a steam plant in connection and continuous electrical power is available. Building would easily accommodate a number of medium sized industries if desired. Ideal living conditions and good accommodation for employees. The property will be sold at a very low figure to anyone who will start a bona fide industry.

For further particulars apply to the undersigned,

A. W. SMITH, Town Clerk, Barrie.
Barrie, February 9th, 1926.

TO MEN OF MEANS OR BUSINESS HEADS

If you require the services of a trustworthy and reliable man of middle age, in whom the utmost confidence can be placed, to act in the capacity of private secretary, or confidential clerk, I beg to offer my services. I have first-class business experience as manager. Am of good education and personality. Can give the highest references, and satisfactory reason for seeking a position. Correspondence requested.

Box 100, Financial Post,
Toronto, Ont.

The Keeley Silver Mines, Limited
(No Personal Liability)

Notice is hereby given that the regular half-yearly dividend of 8 per cent., plus a bonus of 4 per cent. has been declared payable on the 15th of March, 1926, to shareholders of record at the close of business on March 1st, 1926. The transfer books of the Company will be closed from March 2nd to 14th, both dates inclusive.

By order of the Board,

R. S. DENNING,
Secretary.

Toronto, February 1st, 1926.

La Salle
ONTARIO

TENDERS will be received at my office up to March 4th, five o'clock, for the following debentures:

$15,500 for the purchase of Hydro distribution in and for the Town of La Salle, Ontario, bearing 6% interest payable annually for twenty years. Debentures ratified by provincial legislature.

Further information may be obtained from

P. N. MONFORTON,
Clerk and Treasurer,
La Salle, Ontario

REVELSTOKE
British Columbia

Tenders will be received by the undersigned up to noon March 3rd, 1926, for $60,000.00 Light plant debentures, 5%, serial, maturing in 15 equal installments of $4,000.00 on August 15th, 1927 to 1941 inclusive, issued under authority of By-law 326.

The by-law and debentures, including coupons, are approved by the Municipal Inspector of British Columbia and cannot be questioned in any court of that Province.

Debentures are of the denomination of $500.00 each, with coupons attached for interest, which is payable semi-annually. Both principal and interest payable at Revelstoke, B.C., and issued under authority of section 101 of the Statutes of B.C., Chapter 179, of 1924.

W. A. GORDON,
City Treasurer,
Revelstoke, B.C.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Monday, the FIRST day of MARCH next, to Shareholders of record of 30th January 1926.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 19th January, 1926.

The Canadian Bank of Commerce

Dividend No. 156

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 28th February, 1926, payable at the Bank and its Branches, on and after Monday, 1st March next, to shareholders of record at the close of business on the 13th day of February, 1926. The Transfer Books will not be closed.

By Order of the Board.

S. H. LOGAN,
General Manager.

Toronto, 15th January, 1926.

The Bank of Nova Scotia

DIVIDEND No. 225

Notice is hereby given that a Dividend of four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending March 31, 1926, and that the same will be payable on and after Thursday, the first day of April next, at any of the offices of the Bank in Canada.

The Stock Transfer Books will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board.

J. A. McLEOD,
General Manager.

Halifax, N.S., February 16th, 1926.

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Preference Stock Dividend No. 64

Notice is hereby given that a Dividend of one and three-quarters per cent. for the quarter ending the 31st day of March, 1926, being at the rate of seven per cent. per annum, has been declared on the Preference Stock of the Company.

The above Dividend is payable on and after the first day of April, 1926, to Shareholders of record at the close of business on the 13th day of March, 1926.

By order of the Board.

W. H. NESBITT,
Secretary.

Toronto, February 15, 1926.

QUEBEC POWER COMPANY

Notice is hereby given that a dividend of one and one-quarter per cent. (1¼%) has been declared on the Common Stock of the Company for the quarter ending March 31st, payable April 15th, to shareholders of record March 31st, 1926.

By order of the Board.

JAMES WILSON,
Secretary.

Montreal, February 12, 1926.

QUEBEC POWER COMPANY

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the Seven per cent. (7%) Cumulative Preferred Stock of the Company for the quarter ending March 31st, payable April 15th, to shareholders of record March 31st 1926.

By order of the Board.

JAMES WILSON,
Secretary.

Montreal, February 12, 1926.

Mexico Tramways COMPANY

General Consolidated First Mortgage 50-Year 5% Gold Bonds.

NOTICE IS HEREBY GIVEN that on and after 1st March, 1926, Coupon No. 26, dated 1st September, 1919, detached from the above Bonds, will be paid at the Bank of Montreal, Toronto, Montreal or London, England, or at the agency of the Bank of Montreal, New York, N.Y., at the holder's option.

Dated at Toronto this 15th day of February, 1926.

MEXICO TRAMWAYS COMPANY,
R. H. MERRY, Secretary.

THE SHAWINIGAN WATER & POWER COMPANY

Notice is hereby given that a dividend of two per cent. (2%) has been declared on the Common Stock of this Company for the quarter ending March 31st, payable April 10th, to shareholders of record March 25th, 1926.

By order of the Board.

JAMES WILSON,
Secretary.

Montreal, February 16, 1926.

COMPETITION IN PRICES FORCING FOOD COMBINES

Closer Retail Co-operation Enables Reduction in Overhead Costs

So many firms have been merging or amalgamating these days in retailing, wholesaling and manufacturing, that it seems safe to assume this is the era of the merger, says the Canadian Grocer. Perhaps the most noticeable evidence of this tendency has to do with some United States food manufacturers who have interests in Canada. First and foremost comes Postum Cereal Co. Within recent weeks this firm has interwoven its interests with two other large firms—the Jell-O Company and Igleheart Bros., manufacturers of Swansdown flour. And then came a report that the Postum Cereal Company and the California Packing Corporation were getting together. It has since been announced, however, that the deal is off for the present and the report is that the action of the United States government against the Ward Food Products Corporation merger is the reason.

It was only a few months ago that the Gold Dust Corporation of New York City took over the F. F. Dalley Corporation interests with head office and factories at Hamilton, Ont.

And it is only a few weeks ago that the Quaker Oats Co., with head office in Chicago, and Canadian plants at Peterborough and Saskatoon, became interested in Aunt Jemima Mills where Aunt Jemima pancake flour is made.

These are only a few of the many amalgamations that have taken place and they are mentioned because all these firms have either factories in Canada or sell in Canada.

Last August we had the merger of 25 wholesale grocers selling approximately $25,000,000 worth of foodstuffs a year. This was perhaps the largest amalgamation among wholesale grocers that has ever taken place on this continent.

Also in Retail Field

In the retail field of endeavor we have had several instances of closer co-operation as well as many amalgamations or mergers. And we have instances where one firm has actually purchased outright another so that competition may be lessened. Just recently Loblaw Groceterias Ltd., purchased the business of John Peachey, who was in the same line of business in Brantford. The trade that has been following the situation in Brantford knows how keen competition has been there for several months. It was generally understood that it was difficult for any of the chain stores performing part service to the customer making any money because of the cutting in prices of so many lines. We have several organizations of Buying Groups, including Superior, Service, Adanac, Leader, Red and White, Monarch Stores, and a great many others—all aiming at the one thing—to reduce overhead and to meet as far as possible, the low prices offered in so many stores. These prices are constantly being advertised and with the spread of the motor car, the buying public can readily get around to any store where values are considered best.

Much has been heard in recent months about manufacturers reducing their costs so that their goods would go into consumption at lower prices. Manufacturers claim—and their claim has been well substantiated by a great deal of evidence—that as they get their costs and prices down, more of their goods are consumed which tends to reduce still further their costs, to increase their production, sales and net profits. They believe that by amalgamation and taking over other interests they can get down still more their production costs and at the same time reduce their selling expenses. One selling organization, for instance, in a territory will be able to handle the output of two, three, four or more factories at little, if any, extra traveling expense, office work, etc.

The opinion was expressed to Canadian Grocer recently that mergers and amalgamations among retailers were caused by cut price competition. Merchants, in a particular district, in order to meet competition of their rivals, go the other fellow one better with the result that soon a good many lines are down so low that no one can make any money on them. When a sufficient number of articles are reduced to this basis something has to happen—either the merchant must take a loss and eventually meet a bankruptcy court or prices must go up again. The former, naturally, is to be avoided. If the latter is to take place then there must be co-operation, an amalgamation or one of the interests must absorb another.

Are we reaching the latter stage in some of the retail centres in Canada?

MANY INDUSTRIES GAIN FROM TREATY WITH AUSTRALIA

(Continued from page 1)

treaty, with the hope of getting a share of the Australian business, and that the abrogation of the treaty would be manifestly unfair, particularly without a fair trial." A firm of the standing of that in question would hesitate to make such large extensions without very positive evidence of big business under the treaty. The speaker pointed out that the Powell River operations are situated near large dairy undertakings and that the progress of the former would assure a market for the products of the dairy industries. A communication to the same effect, from the Canadian Pulp & Paper Association was also read.

But this is not the only industry affected. Evidence was submitted to the House to show that the pulpwood and timber industries especially in British Columbia would be seriously injured if the bill were not ratified—that the salmon industry, and other lines of business depending partially upon the Australian market to sell their products, would suffer a serious loss.

Although it is too early to give any accurate estimate of the probable value to Canadian exporters of the new treaty, it is evident that there are many industries which would gain a great deal from the new trade relations. The Canadian consumer, also, stands to gain in certain respects. In butter, for example, Canadian stocks are unusually short, and the Canadian consumer would have had to suffer the consequences of this had not the Australian butter come into this market. It seems to be the general feeling of business that Canada would be well advised to consider this matter very seriously before deciding against the treaty, to weigh the advantages to Canada with the disadvantages.

BIG LUMBER CUT IN QUEBEC

QUEBEC.—Quebec's lumber cut for the winter of 1925-26 is expected to be about 1,500,000,000 feet, it was stated by G. A. Piche, chief forester of the provincial government. Lack of snow throughout the province has made very little difference in lumbering operations in the 350 camps that have been opened. The 1925-26 cut is expected to be completed somewhere about the middle of April.

THE TRUSTS AND GUARANTEE COMPANY
LIMITED

29th Annual Statement

BALANCE SHEET, DECEMBER 31st, 1925

ASSETS

Capital Account			
Office Premises-Safety Deposit Vaults: Toronto, Calgary and Brantford..		$245,084.77	
The Trusts Buildings Limited Shares. (See footnote to Balance Sheet December 31, 1920).			
Office Furniture		25,000.00	
Real Estate—held for sale		147,199.20	
Mortgages			
Principal	28,196.89		
Interest	3,362.48		
		31,559.37	
Loans on Stocks, Bonds and other Securities		51,433.66	
Dominion of Canada and Provinces of Canada Bonds		14,382.25	
Other Bonds and Debentures		597,633.27	
Stocks		225,127.77	
Cash in Chartered Banks		61,836.32	
Cash on Hand		9,835.88	
Other Assets		319,079.73	
			$1,728,172.22
Guarantee Trust Account—			
Real Estate—held for Sale		64,331.54	
Mortgages			
Principal	$3,721,603.45		
Interest	189,527.70		
		3,911,131.15	
Loans on Bonds, etc.		62,340.41	
Dominion of Canada and Provinces of Canada Bonds		574,932.12	
Canadian Municipalities, School District and Rural Telephone Debentures		496,065.95	
Other Bonds and Debentures		555,000.60	
Cash in Chartered Banks		259,473.43	
Cash on Hand		38,213.66	
			$5,961,488.26
Estates, Trusts and Agency Account—			
Funds and Investments			$23,999,519.46
			$31,689,179.94

LIABILITIES

Capital Account—		
Capital Stock Subscribed	$2,000,000.00	
Capital fully paid	$1,202,000.00	
Capital partly paid	236,257.06	
		$1.438,257.06
Money Borrowed from Bank		$95,000.00
Reserve re Balance Dominion Special War Revenue Tax		2,000.00
Sundry Accounts Payable		1,877.94
Dividends declared and unpaid, due January 2nd, 1926		43,132.42
Profit and Loss		147,904.80
		$1,728,172.22
Guaranteed Trust Account—		
Trust funds for investment	$4,934,265.86	
Trusts Deposits	1,027,222.40	
		$5,961,488.26
Estates, Trusts and Agency Account—		
Estates, Trusts and Agency Accts.		$23,999,519.46
		$31,689,179.94

JAMES J. WARREN,
President.

E. B. STOCKDALE,
General Manager.

We have audited the books for the year ending 31st December, 1925, and verified the cash, bank balances and securities of the Corporation. We have examined the statement and it agrees with the books of the Corporation. After due consideration we have formed an independent opinion as to the position of the Corporation; and with our independent opinion so formed and according to the best of our information and the explanations given us, we certify that in our opinion the statement sets forth fairly and truly the state of the affairs of the Corporation; and that all transactions of the Corporation that have come within our notice have been within the powers of the Corporation.

GEO. EDWARDS, F.C.A.
H. PERCY EDWARDS, F.C.A. } Auditors.
of Edwards, Morgan & Company, Chartered Accountants.

Tapped Key at Start of Career; Thomas Ahearn Learns Radio

Boyhood amusement of Thomas Ahearn, of Ottawa, was telegraphing over a wire string between housetops. Tapping a key was, too, his threshold of success in business. Now he has become a wireless operator, not to earn a living, but to keep up with the times.

Mr. Ahearn, president of the Ottawa Light, Heat and Power Company, and one of the foremost financiers of Canada, at the age of 70 years, has just passed the examination he took at the Radio Branch of the Marine Department, and is now a full-fledged radiotelegraph and wireless operator, entitled to take a radio operator's position on any ship flying the British flag. When a young man of 18 Mr. Ahearn was a telegraph operator. He was urged by his friends to try the examinations set for wireless operators. He not only passed, but secured 92½ per cent., which is 10 per cent. above the average.

An Income A Widow Couldn't Lose

"A WIDOW'S investment," say financial men when they refer to something beyond the possibility of chance. You can readily make such an investment for your dependents. The Mutual Life's monthly income insurance policy is a leader in this class. By it the beneficiary receives a stipulated amount regularly every month. Such an income for your dependents can be planned now. Any agent of the Mutual Life of Canada will go into the details so that you can decide what the amount of this monthly income is to be.

The MUTUAL LIFE of Canada
WATERLOO, ONTARIO

907

What's Wrong With Shorthand?

Executives Say:—

"It's the 'ring and wait' system."
"If she could only take it as fast as I think."
"She can't help me with other things."
"If I could only dictate while it's fresh in my mind."
"Out sick, so my letters have to wait."
"Pshaw! she's gone. I'll have to wait till tomorow."
"I had all this clear in my mind last night."
"She can't get out all she's taken."
"I'm forced to cut dictation short."

That's enough! I'll send in the coupon below on general principles.

C. L. Turnbull

President of Turnbull-Kiely Co., Ltd., distributors for Kardex, Index Visible and Rand Visible Index Systems.

What's Wrong With Shorthand?

Secretaries Say:—

"Those awful waits while he chats over the phone."
"Nothing doing till 3 and then two days' work."
"No one else can read my notes."
"Hours wasted while he's in conference."
"I'm 10% secretary and 90% slave to my notebook."
"Yes, I do mind staying late."
"Cold notes are maddening."
"He talks so fast I'll be getting writer's cramp soon."

That's enough! I'll show him this trial offer right now.

Shorthand couldn't keep up with this business—

How much more business can a man handle with The Dictaphone than with "double operation" shorthand?

Read this story of Mr. Turnbull and note our coupon offer

NOT less than fifty per cent.! Many Dictaphone executives say that one hundred per cent. would be a conservative estimate!

Moreover, every Dictaphone user who values detachment concentration makes the same discovery as Mr. Turnbull, who, as President of Turnbull-Kiely Co. Ltd., directs the distribution of Kardex, Index Visible and Rand Visible Filing System in Canada.

Mr. Turnbull does not, indeed, credit The Dictaphone with the fact that his business has trebled during the year he has been using the dictaphone system. But he does admit that without The Dictaphone he would have required several additional stenographers, instead of which he has made only one addition to his correspondence force.

His estimate of the importance of The Dictaphone in his business is summed up in the statement that, though it took him "some months" to decide to install his first Dictaphone, it took "*only one minute*" to decide to extend the Dictaphone System to his branch offices.

Miss Leverett, Mr. Turnbull's secretary, is quite specific in presenting her side of Dictaphone advantages: "I am no longer constantly interrupted to take dictation, but can plan my day's work to the best advantage and go straight ahead with it. Without the Dictaphone I would never have been able to cope with the tremendous volume of work resulting from the rapid growth of our business during the past few months. I would not care to go back to the old system of shorthand notes with its double operations and inevitable waste of time."

Beatrice E. Leverett

Secretary to Mr. Turnbull, who handles two or three times as much work with The Dictaphone as she did with shorthand, because she plans her day's work and does it — without interruptions, duplicated effort and non-productive waits.

MAIL WITH YOUR LETTER-HEAD TO
Dictaphone Sales Corp. Ltd.
33 Melinda Street, Toronto
T. R. CRAYSTON, Manager for Canada

☐ I want to read what leading executives or secretaries say about increasing their ability with The Dictaphone. Mail me FREE copy of your booklet, "What's Wrong With Shorthand?"

☐ I am a Secretary ☐ Executive
(*Check one*)

☐ Please notify your nearest office to lend me a New Model 10 to try. I understand that this loan involves no expense or obligation.

DICTATE TO THE DICTAPHONE
"Reg. Canada."
and double your ability to get things done

News of the Mines: A Department for Executives and Investors

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

NUMEROUS NEW QUEBEC CONCERNS TO SOON APPEAR

Fabulous Prices Are Being Paid for Properties in Camp

OTTAWA.—Duprat mines, by the end of this week, will have camp buildings erected on its central group of properties and will be ready to push ahead the exploration of its holdings. It was stated officially to The Financial Post that the option held by Toronto and Montreal groups on the treasury shares of the company has been exercised. The price is 35 cents and this will ensure the company of funds to carry out its development plans.

M. Young, formerly with Clifton Consolidated, made a report on the properties and it was on his findings that the option was put through. As a result he has been retained to take charge of the work.

A great deal of interest is being taken here in mining now, a striking contrast to a year or so ago when holders of mine shares were few. There are indications that a number of new companies will be launched shortly. The Boichatel, Duprat, Rouyn, Dufresnoy section promises to be a regular hive of industry in the spring. It is understood that during the past couple of weeks, several properties centering around the corner of these four townships, have changed hands and rumor has it that another large U. S. copper operator may take an interest in the development of one of these groups.

Fabulous prices are being paid for claims and it is understood that a great deal of money is changing hands. Robert Gamble, one of the largest holders of property in the Quebec field, turned down several offers for different holdings during the past week, the total amount of actual cash offered as down payments amounting to $400,000.

Rather an interesting story is being told here in regard to the deal of the McIntyre directors for the Asisko Lake property. The story goes that one of the directors suggested that they should take over the property from the Gambles. A slip was passed around among the directors and when it had completed the circuit of the table, it was found that the amount subscribed was eight times the amount required. The shares are $1 each and it is understood that since the deal has been made the Gambles, who took 100,000 shares of stock, in part payment of the property, have been offered $2.50 a share for their holdings.

The Financial Post story of last week that Noranda was to pass to the hands of Canadians is generally accepted here. It is understood that the Timmins and other Montreal interests have arranged with one of the largest banks for sufficient funds to take up all the Noranda stock that can be secured at a stated level. New York, where the bulk of the stock has been held heretofore, has been a heavy seller and Montreal has been a ready buyer. It is understood that the buying was temporarily halted and this caused the easing of the price.

Victoria Syndicate To Work Thompson Claims

The Victoria Syndicate is committing itself to a big campaign of work on the Thompson group of claims in Rouyn, situated in the township of Cadillac—lying adjacent to a group on which the M. J. O'Brien interests have been encountering favorable results.

The Victoria Syndicate is among the largest British organizations engaged in the hunt for mines in this country. The syndicate is capitalized at $5,000,000, shared on a 50-50 basis between the Central Mining Group of London and South Africa, and the Mond Nickel interests.

Hunton-Kirkland Operations Deepest in Kirkland Lake

The Hunton Kirkland Gold Mines, Ltd., has been reorganized, and a new company formed, to be known as the Kirkland Hunton, with a capital of 4,000,000 shares, of which 2,000,000 remain in the treasury. The management is now sinking a winze on the fault zone, and is down 520 feet, and intends going to 700 feet in depth. They previously diamond drilled, and at 700 feet sunk ore with an average of $22 per ton across 12 feet. The winze is being sunk in this locality.

The operation is noteworthy in that it is the deepest working south of the main break in the Kirkland Lake camp.

January Gold Output

Source and period—	Ore Milled Tons	Total Val. Crude Bull'n.
Porcupine—		
Calendar year 1925..	2,965,547	$24,430,231
Av. per month	247,129	2,035,853
January, 1926	269,325	1,946,563
Kirkland Lake—		
Calendar year 1925..	379,652	5,460,951
Av. per month	31,638	455,079
January, 1926	34,167	570,871
Miscellaneous—		
Calendar year 1925..	131	2,114
January, 1926	Nil	Nil
Total for calendar year 1925	$3,345,330	$29,893,296
Av. per month	278,778	2,491,108
Total for Jan.. 1926...	303,492	2,517,434

Properties of Merit Wanted

Prospectors having claims that will stand sampling write *Box 31, The Post.* No Promoters. Send all the facts.

Toronto Standard Exchange Seat Sells for $12,000

Interest in the precious metal stocks has placed a high valuation on the seats on the Standard Stock and Mining Exchange. A seat on this exchange was sold this week for a price of $12,000. The purchaser was Austin Campbell of D. S. Paterson & Co. A few days ago $11,000 was bid for a seat, but none were available at that price. The last previous sale was said to have been made at $7,500, and the increase in value is due to the "boom" in this market. It is stated that a partner of the above firm bought a seat on the exchange for $10 some 25 years ago.

McKinley Unlikely to Show Very Profitable Year

It is expected that the annual meeting of McKinley Darragh, which should be held in the near future, will be marked by changes in the board. For some time now it has been reported that the Home Smith group are in control and that they will replace the representatives of the other faction with men of their own.

The report should be somewhat encouraging, and the best that the shareholders have received in some time. The company has met with some success in new exploration, and a fairly good tonnage of good ore was taken out. However, the hunt for new ore has been a costly proposition, and, in the final analysis, it is doubtful if the surplus position of the company will be very greatly improved.

BARRY-HOLLINGER

A report from the manager of Barry-Hollinger sends out the ore reserve as of December 31, 1925, as double the ore reserve of December 31, 1924, and this after operating the mill for seven months. There is now more than two years' ore reserve ahead.

NEW MINING BROKERAGE FIRM

Austin Campbell has entered into partnership with D. S. Paterson and W. T. Chambers under the firm name of D. S. Paterson & Co. Members of the Standard Stock and Mining Exchange.

McINTYRE MOVES SHARPLY TO CLOSE TO THIRTY DOLLARS

Two of Porcupine's Large Producers Set New High Price Levels

There were two outstanding features to the mining market during the past week. One was the fact that Hollinger and McIntyre moved up sharply to new high levels, and the other was the hitting of a new high mark for heavy trading on the Standard Exchange, with a total of 1,700,000 shares changing hands in one day. It was a heavy market all week. During the early part the upward movement continued apace, McIntyre leading the way to within a fraction of a dollar of $30, or six times its par value. An inkling that such a movement was to be expected was given readers of The Financial Post in the recent review which was published on McIntyre. Hollinger is up to within 10 cents of $20, a new high for it. The coming of the excellent annual report which many look upon as presaging another dividend increase, and the reports that the company is going to have a hand in Noranda, and rumors that it may also get in on the Waite Montgomery, have resulted in a material increase in the demand for the stock.

For some time The Post has been pointing out that a number of stocks were getting into pretty high ground. The fact that a number of these have since moved up higher, is just another reason for caution. The reaction which beset the market late in the week was fairly general. It is not surprising that the slip back took place. The swing up has gone on pretty steadily, and there are many who are predicting that it will start up again and set some further records. They may be right. The writer is inclined to think it a case of the wish being father of the thought. Kirkland Lake and Beaver are two stocks that are looked upon as being high, though the $1.40 level which Beaver hit may not stand long as the high for this issue. Lake Shore has had quite a reaction. Teck-Hughes has held fairly steady. Castle is being picked up in anticipation of some activity when the new power is in the camp, and the company doubles its mill. There are also bright possibilities of a dividend this year.

Noranda shares have eased back a couple of dollars below the high level. It is believed that the buying has eased pending the announcement of the company's financing. The reports outlining what this would be were disappointing to shareholders, but it is believed that the official announcement will be much more encouraging.

Wright-Hargreaves Production Close to $2,000,000 in 1925

Review of the Exploration and Development of the Property is Interesting—Big Surplus After 25 Per Cent. Dividend

The story of the production and development and exploration work on Wright-Hargreaves is contained in the report of the general manager, James E. Grant, accompanying the annual report. It is summarized as follows:

The summary of total bullion production, including the value per ton treated as well as actual tons milled, since the commencement of operations in 1921, is herewith shown:

	Mos.	Tons Milled	Value per Ton	Bullion Produced
1921	8	36,081	$13.00	$ 468,665
1922	11	66,181	11.52	762,752
1923	12	79,242	9.52	754,978
1924	12	84,487	12.89	1,088,726
1925	12	147,939	12.93	1,913,401
		413,930	12.05	4,988,524

Summary of Development and Exploration (December 31, 1925)

	Drifting Feet	Shaft Sinking Feet	Cross Cutting Feet	Diamond Drilling Feet
Dec. 31, 1924	13821.0	1756.0	2431.6"	2516.6"
Fiscal Year	4687.6"	625.0	601.0	2234.0
Dec. 31, 1925	18508.6"	2381.0	3032.6"	4750.6"

The report for 1925 shows a total net operating income carried to surplus of $1,209,644, compared with $1,115,564 in 1924, an increase of $94,081 before provision for taxes, dividends and exhaustion of the mine.

Bullion production for the year amounted to $1,913,402, compared with $1,088,726 the previous year. After paying dividends of 25 per cent., amounting to approximately $700,000, the surplus balance of January 1, 1926, was $458 000, compared with $580,514.71 in 1924.

The amount spent on stoping and exploration is considerably higher than in 1924, amounting to $307,931, compared with $226,870.

President's Remarks

In his remarks to shareholders Oliver Cabana, Jr., the president, says:

"It is especially gratifying to observe that the year just past marks the development of the greatest success attained by your company through any previous twelve months' period.

"Our underground development, which included sinking to the depth of 1,271 feet on No. 1 vein, has proven the rich continuation of that ore body, as well as showing a consistency of ore in our drifting operations at depth of a value greater than that heretofore encountered. The results are such that it is but fair to say the progress made in underground development throughout the year has been very encouraging.

"The general manager's report covers fully and very explicity the operations conducted during the year 1925, and the progress made. In this connection I desire to especially direct attention to the fact that we show operating costs for the year just closed of $5 per ton, a decrease of $1.33 per ton over that of the previous year.

"After enlarging the mill last spring, it was supposed to have a capacity for treating 350 tons per day. To indicate that there has been no disappointment in the efficiency of our mill and that we were very conservative in our figures, it is of interest to note that while we have not had the benefit of the increased capacity for the full twelve months' period, yet it averaged over 400 tons per day for the entire year.

"On the subject of dividends, we have heretofore been on an interim basis, disbursing 2½ per cent. with extras, having distributed 60 per cent. to date. During the years 1924 and 1925 the company paid 12½ per cent. and 25 per cent., respectively, and under existing conditions, the disposition of your directors will probably be to recommend that the company go on a regular dividend basis with extra distributions from time to time as conditions justify.

"When it is considered that we have received the benefit of our full increased milling capacity for but a portion of the year, and that only since the installation of our new compressor, late in November, have we had a sufficient supply of air for carrying on increased underground development, the progress made is very satisfactory.

"Your directors have let a contract for the installation at No. 1 shaft of a large hoist, capable of going to a depth of about 2,500 feet. This addition combined with the hoist now operating at No. 3 shaft, will enable us to greatly increase our capacity, as well as efficiency of operations.

"With the increase in air pressure for running additional drilling machines, and with a large hoist capable of reaching to a great depth in prospect of installation in the spring, we will be prepared for much greater and more rapid development of our property than ever before, which leads directly to further increased milling capacity and greater returns to our shareholders."

The Balance Sheet

The principal items in the balance sheet compare as follows:

	1925	1924
Current Assets—		
Cash on hand	$1,204,449	$ 572,746.00
Bullion in transit	86,374	75,081.78
Materials and supplies.	65,933	57,886.00
Capital Assets—		
Prov. for exhaustion...	1,385,275	1,500,000.00
Plant of equip.	517,858	474,376.00
Additions	46,270	83,482.00
Depreciation	246,863	167,916.00
Surplus—		
Balance from 1924		$172,630.60
Net from 1925 operation		1,209,644.58
Tax over provision 1924		3,258.89
Refund taxes 1922-23		3,258.89
		$1,385,982.57
Less div., taxes, 1925, provision for exhaustion, and preliminary development		927,467.48
Balance free surplus		$458,515.09

MINING STOCK QUOTATIONS

Week Ending February 16

	High for week	Low for week	Close Feb. 16	Close Feb. 9	Sales for week
Argo. Cons....	46	40	40	44	40500
Apex.........	6	4	5	4⅛	80700
Amulet.......	1.35	1.17	1.22	1.28	62235
Argonaut.....	23	20	20	22½	51200
Atlas.........	3¼	2½	3¼	2⅜	48100
Baldwin......	4	2¾	4	3	177550
Barry Holl....	46	42	45	42	229950
Beaver.......	99	88½	89	88	229745
Bidgood......	10¼	7½	7½	8	80900
Bo'lamaque...	8.45	7.90	8.45	7.95	19295
Chaput H.....	31	17	23	16	257160
Buckingham..	4	3¾	4	4¼	13700
Can. Lorrain..	85	82½	82½	85½	59200
Capitol.......	50	42	47	41¾	295100
Castle Tre....	1.85	1.64	1.75	1.66	117287
Clifton.......	6½	3¼	5	3½	88600
Coniagas.....	4.40	3.85	4.40	4.00	6170
Coniar'm.....	4.30	4.05	4.25	4.21	1936
Col. Kirkland.	25	8	21	8	779500
Cons. Smelters	240	221½	240	220⅞	48781
Cons.W.Dome	29½	26	26	27½	349086
Crown Res....	24	20	20	22	137300
Dome Mines..	19.35	18.20	18.25	18.30	28257
Everett......	11½	8	11	8½	561100
Gold Hill.....	42	38¼	42	39	142000
Goldale......	42	39	40	40	61000
Gold Reef....	5	2¼	3¾	2	380300
Hattie Pref...	1¼	1¼	1¼	1½	2500
Laval, Que....	38	35½	35½	36½	66240
Hollinger.....	19.95	19.00	19.50	19.00	11579
Hunton.......	18½	14½	16½	14¾	401000
Indian.......	7½	5¼	7	5½	22500
Int. Nick., com	44½	42	42	43½	1555
Keeley.......	1.79	1.74	1.75	1.77	27850
Keora........	14	11	14	12	203300
Kirk Lake....	1.38	1.25	1.32	1.25	309470
Lakeside.....	10	7	9½	7	166000
Lake Shore...	12.70	12.25	12.00	12.25	23275
La Rose......	33	30	32	32	11525
Lorrain.......	11	9¾	10¼	10	129300
Lorrain T.L...	1.00	98	1.00	1.10	400
McKinley....	24	23¼	23¾	24	64250
McIntyre.....	29.75	24.50	27.00	24.60	59356
Area.........	34¾	30	32	38¾	20100
Brownlee.....	43	40	43	..	32200
Mont. Rouyn	60	45	53	..	31100
Mining Corp.	4.10	3.75	4.08	3.90	67549
Moneta......	17	16	17	16	21000
Newray......	42	40	42	42	16400
Nipissing.....	6.85	6.50	6.50	6.75	8370
Night Hawk..	17	10	10½	11	533300
Noranda.....	17.60	16.00	16.25	17.40	48882
Peter. Lake...	4¼	2¾	4	3⅛	74500
Perc. Crown .	10½	6¼	9½	6	45825
Premier Gold .	2.50	2.25	2.40	2.25	29040
Preston.......	9	8¾	8¾	8¾	76900
Teck Hughes .	3.78	3.60	3.60	3.60	120364
Thomp. Krist.	2¾	2¾	2¾	2	1000
Rouyn.......	9	7	7¾	..	163000
Tough Oakes .	62	54	54	56½	241100
Vickers.......	69	50	69	52	43000
Vic. Silver....	7¾	6	7¾	7	18500
Vipong Cons. .	1.95	1.88	1.88	1.93	77615
Wakenda.....	2¼	2¼	2¼	1½	2000
Wasapika.....	2	1½	1½	2	12500
West Tree....	3½	2¾	3	3	34000
Wettlaufer....	10	5	9	5	25500
Wright Har...	9.40	9.05	9.10	9.30	16815
Ophir........	3⅜	3⅜	3⅜	3½	1000
Rouyn, Que...	4	3½	4	..	13000

HOLLINGER LAST YEAR HANDLED 2 MILLION TONS

Gross Income Was Over Sixteen Million—Surplus Jumps

Hollinger in 1925 earned $8,300,227 before depreciation, as compared with $6,586,215 in 1924. This is at the rate of 33.7 per cent., or $1.69 per share. In 1924, Hollinger earned $1.05; 1923, 60c.; 1922, $1.06. Dividends in 1925 were at the rate of 20.8 per cent., or $1.06 per share.

Gross was just over the $16,000,000 mark, just about the total predicted by The Financial Post in its recent Porcupine issue. Ore reserves are slightly higher.

The gross income of $16,129,255, a new record in the company's history, compares with $13,991,113 for 1924. General charges are slightly higher at $7,829,028, as compared with $7,404,898, leaving net operating profits at $8,300,227, as against $6,586,215, an increase of $1,714,002. After dividends, depreciation and taxes, balance of $2,159,910 remains, which is added to surplus. This compares with $1,907,037 carried forward from the previous year's accounts.

Profit and loss for the year follows:

	1925	1924
Recovery	$15,786,405	$13,429,226
Other income	342,850	561,886
	$16,129,255	$13,991,113
Costs:		
General	791,615	705,844
Mining	5,292,152	5,133,252
Milling	1,745,259	1,565,801
	$ 7,829,028	$ 7,404,898
Operating profit .	$ 8,300,227	$ 6,586,215
Dividends	4,378,800	3,198,000
Taxes	693,246	318,377
Depreciation	1,761,516	1,481,177
Surplus	2,159,910	1,907,037

President Timmins called attention to the fact that the Hollinger Power Development at Island Falls, sold to Abitibi Paper and Power Co., is still carried as a capital asset, due to the fact that it has taken longer than expected to work out the details of the sale and transfer of the titles to the purchasers. These details will soon be arranged and the sale closed, after which this item will be transferred to current assets.

Conditions at the mine are satisfactory, and in the mill the substitution of rod mills for stamps is still producing excellent results.

Labor conditions continue to be satisfactory, and there is no reason to anticipate any change in the situation. The available supply of labor is increasing from time to time and keeps well ahead of requirements.

The balance sheet indicates that the company has maintained its very strong working position. Cash on hand is up from $90,490 to $410,458. Accounts receivable at $94,239 compare with $74,799. Investments stand at the very substantial figure of $4,521,826, compared with $4,630,136, and comprise mainly issues of the Federal, Provincial and Canadian municipal governmental issues. Accounts payable are higher at $523,949 against $210,964. Bank loans, which were carried at $2,300,000 in the previous report, are not shown in the latest statement, this item having been discharged. The balance sheet follows:

	1925	1926
Assets		
Capital assets	$29,130,874	$28,766,494
Cash on hand	410,458	90,490
Bullion in transit ...	537,969	791,395
Acc. receivable	94,239	74,799
Investments	4,521,826	4,630,136
Liabilities		
Wages unpaid	175,848	491,525
Accounts payable ...	523,949	210,964
Bank loan	....	2,800,000
Tax reserve	388,000	250,403
Surplus—		
1924 balance	7,616,851	5,663,505
Profits forward	7,606,980	6,267,837
Deductions	5,447,069	4,360,800
Net surplus	9,776,762	7,616,851

Increase in Ore Milled

Tons of ore milled totalled 1,929,988, against 1,659,475, and average value per ton was $8.51, a slight increase over the previous year's average of $8.39.

Comparative bullion and milling results statements are appended:

Milling Results

	1925	1924
Tons ore milled	1,929,988	1,659,475
Ave. value a ton	$ 8.51	$ 8.39
Gross value	16,422,507	13,925,812
Loss in tailings	636,102	496,586
Net val. recov'd.	$15,786,405	$13,429,226
Av. tons per day.......	5,317	4,559
P. C. pos. live run.....	53.7	94.5

Bullion Statement

	1925	1924
Inventory, Jan. 1—		
Solutions	$ 120,209	$ 103,399
Slags, litharge and miscellaneous	2,050	4,700
	$ 122,259	$ 108,099
Values produced in 1925—		
Ore milled	$16,422,507	$13,925,812
Tailings loss	636,102	496,586
	$15,786,405	$13,537,326
Inventory Dec. 31—		
Solutions	$ 156,578	$ 120,209
Slags, litharge, etc.	2,375	2,050
	$ 158,953	$ 122,259
Bullion shipped	15,749,711	13,415,066
	$15,908,664	$13,537,326

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News of the Mines

QUEBEC STANDS OUT A TRIUMPH FOR GEOLOGISTS

Presence of Copper Bodies Known Long Before Prospector Got in

Quebec seems earmarked to produce for Canada one of the greatest mining camps on the continent. Few realize it, but this fact is a great triumph for geologists. The Financial Post has pointed out this fact on more than one occasion, but only lately has it come into possession of all the facts. It comes to light now that though the engineers and prospectors discovered Quebec, the geologists had discovered it back to at least 1906. While prospecting near Amos, Que., in that year, Dr. Robert Harvie, late of the Federal Geological Survey, and then a student at McGill University, made a copper discovery. The National Transcontinental was at that time under survey. The nearest railway was reached by a 200 mile canoe trip.

In his geological courses, Dr. Harvie had been impressed with the mineral possibilities of the Keewatin greenstone areas of the Archean or Pre-Cambrian formation. In this connection, his attention had been drawn bv a friend, who had a party of 30 working in the Bell River area that season, to a geological map of a greenstone area on the Bell River—the next great waterway to the east of the Harricanaw River on which the Amos River is situated. The map indicated that the greenstone area extended to the west in the direction of the Harricanaw. The 1906 discovery was the result.

In 1910, he made a discovery of gold tellurides, the first in Eastern Canada. This was at Lake Fortune, in northwestern Quebec. As a result of this and of his recommendations to the Ontario Bureau of Mines, the ores of Porcupine were reexamined and the presence of tellurides became known. The attention thus attracted to this mineral led to widespread re-examination with the results now known.

In 1923, Dr. Harvie undertook the geological mapping of the Rouyn and Dufresnoy townships, Quebec, including the site of the present Horne Mine. In this way he was in intimate touch with the early prospecting activities of Noranda.

Later he returned to prospecting on his own account, and came upon an interesting geological situation in Joannes and Clericy townships, about 8 miles east of the Noranda property. He found a granite intrusion approximately 8 miles long and one mile wide extending from the Kinojevis River through the southwest corner of Clericy township into Joannes township. In this granite a number of discoveries of free gold had just been made and Dr. Harvie was aware of a copper discovery in close proximity to the contact, which had been made about the time of his earlier activities in the district in 1907.

Dr. Harvie propounds in a very interesting way the theory of these ore depositions. Most of the metallic minerals are believed to have been brought into the position, in which they are obtained by the miner, by hot waters attending volcanic intrusions of which granite is one kind. These hot waters, at extremely high temperatures, carry in solution the minerals referred to. On their approach to the surface of the earth with opportunities to dissipate into surrounding rocks the waters discharge their metallic contents and form veins and other ore deposits in whatever openings in the rocks may be afforded to them. The greenstones into which the granite intruded afford favorable material for the location of ore deposits. Tuff beds which form an important constituent of the assemblage of rocks, collectively known as greenstones, parallel the contact of the granite. Therefore, should a tuff bed contain ore in one part, it would probably follow that many other deposits would be found along its continuation.

Confirmation of some of these ideas was found in the early prospecting work. Sulphides, sign-tokens of valuable minerals, are found to be abundant.

Noranda's experience has shown that the most valuable ore deposits are found below rusted surface areas, which broadened and improved in quality as they went down. In Clericy. Dr. Harvie located great patches of exactly similar rusted areas all along the granite contact. One of these covered nearly half a claim, others were almost as extensive, with many others of varying size. Three widely separated rusted areas in the northern group were chosen for still further confirmation. In every case they were found to contain ore composed predominantly of copper with accompanying values of gold and silver similar to Noranda and Waite ore.

In September a discovery was made in the southeast corner of the hill which extends in a northwesterly direction for two miles to the Kinojevis River. In a general way, the rocks composing this hill, which is one of the most prominent topographical features of the entire country, may be described as greenstone. Here rusty surface material was found to conceal valuable copper ore. Further work showed that the ore body was of considerable dimensions, and from assays taken later proved an unusually high average for each foot in depth. They also found that the extension of this ore body appeared to continue into a series of lenses just as the former reasoning had foretold.

Some distance to the southwest another strongly mineralized zone was found. About 1,500 feet to the north, a knoll of rock showed through the soil and could be seen to be copper bearing.

On the same hill, one mile northwest, where the ground rises rapidlv from the granite contact, a rusted area on the crest of a hill, showed, when three test pits were sunk, that the joints of the rock were filled with copper ore bodies. Further north a trench was run across a prominent gully which had by the rust of the rock wall given evidence of considerable mineralization. Along this trench was discovered a quartz vein, carrying abundant deposits of ore containing copper. There was also in each case conclusive indications of extension of the ore bodies under the limits of the rusted areas and beyond.

In the three widely separated zones showings were located at almost identical distances from the granite contact. This proved the theory that the granite had brought the minerals with it. Further, and of greater importance, there was conclusive evidence that the tuff beds did run parallel with the granite contact.

A Speculation of Merit—

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A New Map of Rouyn Camp

FOR the benefit of those interested in the Mining Market we have compiled a complete map of the rapidly expanding Rouyn Camp of Quebec.

Our map will show accurate location of the leading properties, including Noranda, Stadacona, Amulet, Laval-Quebec, Horne, Waite-Montgomery and Osisko Lake, as well as covering the six principal townships comprising the Rouyn Camp.

Applications should be filed at once.

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MYERS' PROPOSAL FOR BINGO MILL TO BE FOLLOWED

Sir William Maxwell Resigns and the Board is Reorganized

Following the meeting of the shareholders of Bingo Gold Mines in London, at which Joseph Myers made his case for further developing the property, and opposition was registered to the course of the directors in going ahead with an application for the winding up of the company, there has been a reorganization, Sir William Maxwell, and Captain Sherburn, having resigned as they stated at the meeting they were quite willing to do in view of the attitude of the shareholders, Claude Macfie has been made chairman in succession to Sir William and several new directors have been elected. A notice sent out to the shareholders says:

Major Macfie will devote the whole of his time to the affairs of the company, and will draw his fees as a director—the other members of the board have made it a condition of their appointment to accept no fees until the mine has been proved to be a satisfactory working proposition. They have only accepted office in the belief that the company's property has not been properly prospected, tested or proved, and that this should be done. The policy of the board will therefore be to enter at once into an agreement with Joseph Myers to instal forthwith a 10 ton mill at his own expense on equitable terms and conditions. By this means a reliable test will be made of the ore on the dump.

The new Board has terminated all legal proceedings both in England and in Canada so far as the company is concerned.

The cash resources of the company (which in the last year have been depleted by legal charges and are still the subject of investigation) will as far as practicable be conserved until the results from the above 10 ton mill are obtained.

The recommendation of the board under the chairmanship of Sir William Maxwell had been for winding up the company on the ground that the evidence was that the property was not worth developing as a mine. At the meeting Sir William said:

The men you appointed, sir. This was the policy prescribed by Mr. Dresser, past president of the Canadian Mining Institute, who sampled and assayed the mine; by Mr. Reid, until lately our consulting engineer; by Mr. Youill, a mining engineer of the highest standing, recommended to Mr. Myers by the mining editor of the "Daily Mail"; and also by Mr. Wilkinson, a well-known mining engineer, who had visited the Herb Lake on a mission for the Central Mining Corporation and the Brunner Mond Nickel Company. I cite these authorities in support of the decision of your board not to erect a test mill and not incur the heavy and useless expense of diamond drilling. (Hear, hear). Both these operations were mentioned at the annual meeting in January last, but, as I stated at the time, were dependent on the advice given by our engineers. It is not necessary, perhaps, to remind you of the results of the investigations made by Mr. Dresser, Mr. Reid and the Dorr Company. Their samplings and assays, as you know, yielded an average of about one-and-a-half dollars a ton, instead of the 24 dollars we had been led to expect. Seeing that the working charges on the Bingo would be between 10 and 12 dollars a ton, the proposition obviously has no commercial value. Against these findings of acknowledged experts what have we to offer? We had, it is true, the assays of nearly one thousand samples taken by our own employees; we had the first Dorr report; we had the testimony of Professor de Lury and Dr. Wallace on whose reports the Bingo Mine was floated. All these reports and assays are now called in question by the very people who made them.

Can any reasonable man ignore this unanimous verdict? We have sent to the smelters five tons of rock from the dump from which the Dorr Company took grab samples that yielded from 25 to 30 dollars a ton. One dollar 80 cents is all that the smelters can discover. We have explored the surface of the property with like results. If you care to see the reports, they are at your disposal. No effort has been spared to discover the truth, and I fear we have found it.

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Peterson Lake Shareholders Ratify Reorganization Plans

Shareholders of the Peterson Lake Silver Cobalt Mining Co., Ltd., at a special general meeting unanimously approved a by-law providing for the reorganization of the company. With proxies and shareholders at the meeting about 1,500,000 shares were represented. Officials of the company stated that this was the heaviest representation at a meeting in many years. The by-law, which was approved by the shareholders, provides for the sale of the assets of the present company.

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CORPORATION LIMITED
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Provincial Paper Mills, Limited

Sixth Annual Meeting

Held on

Wednesday, February 17th, 1926

TO THE SHAREHOLDERS:

Your Directors submit herewith Annual Statement showing financial position of your Company at December 31st, 1925. The accounts have been audited and the statements submitted herewith approved by P. S. Ross and Sons.

You will note from the statement that after paying interest on Bonds, reserving $300,000.00 for depreciation of Buildings and Plant, writing $20,000.00 off Bond Discount Account, and providing for Income Tax payable in 1926, there remained from the year's operation, a balance of $586,299.06. Deducting from this, Dividends of 7% on the Preferred Stock and 7% on the Common, there remained to be added to Surplus Account the sum of $222,299.06.

About December First, your Company purchased all the shares of the John Martin Paper Company, Limited, with warehouses in Winnipeg and Calgary, and a sales office in Edmonton. The Martin Company, for about fifteen years carried on a successful wholesale paper business throughout the three Prairie Provinces, and it is thought that the purchase of this business will enable us to extend our sales in that territory. It is the intention to continue the sale there of various grades of paper in addition to those made by this Company. Therefore it seemed best to do so under a separate company and for this purpose, a new Company was formed—Provincial Paper Sales, Limited, all of the issued shares being owned by the Provincial Paper Mills Limited.

There is a considerable increase in the Investment Account. This was occasioned by the purchase of the John Martin Paper Co., Limited, above referred to, the payment of the balance due on the head office property at 56 University Avenue, and the purchase of $20,000.00 of the Company's Bonds, toward the 1926 Sinking Fund.

Conditions for the coming year seem unusually promising. Sales for the month of January, 1926, were greatly in excess of the corresponding month of the previous year. We are further encouraged by having a large percentage of our product under contract.

Submitted on behalf of the Directors by
I. H. WELDON, President.

Toronto, February 17th, 1926.

Balance Sheet December 31st, 1925

ASSETS:

Property and Plant:		
Real Estate, Buildings, Equipment, etc.		$7,009,519.65
Current Assets:		
Cash on Hand and in Banks	$ 222,103.88	
Bills Receivable	41,841.35	
Accounts Receivable, less Reserve for Doubtful Accounts	648,405.39	
Inventories — Paper, Stock, Supplies, Prepaid Charges and Pulpwood, Including Advances on 1926 Operations	1,203,516.75	
		$2,115,867.37
Other Assets:		
Government Deposit on Timber Limits	$ 150,000.00	
Investments	346,739.55	
Bond Discount	50,000.00	
		$ 546,739.55
		$9,672,126.57

In our opinion the above Balance Sheet and relative Income Account have been properly drawn up so as to exhibit the financial position of the PROVINCIAL PAPER MILLS LIMITED, as at the 31st of December, 1925, and the results of operations for the year ended at that date, according to the information and explanations given to us and as shown by the books of the Company. All of our requirements as Auditors have been complied with.

(Signed) P. S. ROSS & SONS,
Chartered Accountants.

Toronto, Ont., February 9th, 1926.

LIABILITIES

Capital Stock:		
Preferred—Authorized	$2,400,000.00	
Less Unissued	700,000.00	
		$1,700,000.00
Common—Authorized	$7,600,000.00	
Less Unissued	4,100,000.00	
		$3,500,000.00
Mortgage Debts:		
Bonds, 20 Year, 6%, due 1940: Authorized—$3,000,000.00		
Issued	$1,500,000.00	
Less Bond Sinking Fund	113,000.00	
		$1,387,000.00
Current Liabilities:		
Accounts Payable, Accrued Charges and Reserve for Contingencies and Income Tax Payable 1926	$ 418,509.38	
Dividends Payable January 2nd, 1926:		
Preferred, 1¾%, Regular	29,750.00	
Common, 1½%, Regular	52,500.00	
Common, 1%, Special	35,000.00	
		$ 535,759.38
Other Liabilities:		
Reserve for Depreciation of Buildings and Plant		$1,613,147.03
Surplus		936,220.16
		$9,672,126.57

Contingent Liability for Bills Receivable under Discount $66,240.00.

INCOME ACCOUNT

For Year Ended December 31st, 1925

Surplus December 31st, 1924		$ 713,921.10
Manufacturing Profit for Year	$1,045,493.48	
Sundry Revenue	14,810.59	
		$1,060,304.07
		$1,774,225.17
Less Interest on Bonds and Loans		83,905.41
		$1,690,319.76
Reserve for Depreciation of Buildings and Plant	$ 300,000.00	
Added to Reserve for Doubtful Accounts	99.60	
Written off Bond Discount	20,000.00	
Reserve for Income Tax Payable in 1926	70,000.00	
		$ 390,099.60
		$1,300,220.16
Dividend on Preferred Stock, Regular 7%	$ 119,000.00	
Dividend on Common Stock, Regular 6%	210,000.00	
Dividend on Common Stock, Special 1%	35,000.00	
		$ 364,000.00
Surplus, December 31st, 1925		$ 936,220.16

Audited and Verified,
(Signed) P. S. ROSS & SONS,
Chartered Accountants.

Toronto, Ont., February 9th, 1926.

OFFICERS AND BOARD OF DIRECTORS, 1925

I. H. Weldon, President; T. A. Weldon, Vice-President; S. F. Duncan, Treasurer; W. S. Barber, Secretary.

Directors: I. H. Weldon, T. A. Weldon, S. F. Duncan, Alex. Fasken, S. B. Monroe, A. B. Connable, R. S. Waldie, C. S. Campbell, Sir Charles Gordon, K.C.B.E.

HIGHER DEPOSITS OF WATERLOO TRUST CO.

Increased Business Offset Lower Interest Rates on the Company's Investments

Earnings of the Waterloo Trust and Savings Company for 1925, after providing for interest on deposits and other trust funds receivable from the public and defraying expenses of management amount to $68,382 compared with $63,482 in 1924 and $65,259 in 1923. Dividends were paid to the extent of $48,750, being at the rate of 6½ per cent. per annum and $20,000 was carried to the reserve fund. Following are comparative figures:

Profit and Loss

	1925	1924	1923
Earnings	x$76,121	$134,503	$127,916
Interest	....	4,014	5,413
Com. on loans	......	4,435	4,545
Expenses	......	55,141	48,951
Income tax	7,739	7,431	6,350
	$ 7,739	$ 71,021	$ 65,259
	$ 68,382	$ 63,482	$ 62,657
Prem. on stock	......	1,215	1,750
Bal. forward	2,608	1,434	3,821
	$ 70,990	$ 66,131	$ 68,228
Distribution—			
Dividends	$ 48,750	$ 48,523	$ 46,793
Reserve	20,000	15,000	15,000
Contingent	......	......	5,000
Balance	2,240	2,608	1,434
	$ 70,990	$ 66,131	$ 68,228

xAfter deducting interest, expenses, etc.

Eleven Years' Record

Year	Paid-up Capital	xNet Profits	Div.	% on Cap.	Earn. Rate
1925	$750,000	$68,382	6½	9.1	7.1
1924	750,000	63,482	6½	8.5	6.8
1923	729,685	62,657	6½	8.7	7.8
1922	707,920	57,672	6½	8.3	6.8
1921	674,295	54,637	6	8.4	6.9
1920	638,764	56,994	6	9.1	7.7
1919	604,331	49,648	6	9.2	7.9
1918	481,802	40,462	6	9.3	8.0
1917	415,366	34,355	6	8.5	7.4
1916	383,779	31,762	6	8.8	7.7
1915	332,876	25,323	6	7.8	7.0

xIncome tax deducted.

Thomas Hilliard, president of the company, reports that there was a steady increase in business during the year, the total assets as at December 31, amounting to $5,213,882 as compared with $4,349,261 for 1924, an increase of $864,621. A noticeable feature was the large number of new savings accounts opened and the increased volume of guaranteed investment receipts issued. The company's new bond department is progressing satisfactorily and should in time prove an important factor in the business. The new investments for the year consisted mainly of a large number of carefully selected first mortgages and bonds. The tendency of lowering rates on mortgages and other investments naturally affect revenue, but the increased volume of business and favorable prospects for the future should result in an additional measure of profit.

The company's assets totalled $5,213,882 of which $1,503,509 are in general guaranteed trust receipts and debentures and $2,140,780 in trust deposits. The total of $3,644,290 for these trust accounts compares with $2,879,206 in the 1924 report.

Sterlings Trust Had Very Satisfactory Year

Substantially improved profits for 1925 are reported by the Sterling Trusts Corporation, the net earnings after paying taxes being $41,985, compared with $35,343 for 1924 and $32,096 for 1923, Dividends took $34,623, and $25,000 was added to the reserve, the balance forward being reduced from $26,997 as at the end of 1924 to $9,359.

On capital the profits showed at the rate of 7.3 per cent., which, it will be noted from the figures in the following summary, is the best showing since 1919.

Profit and Loss

	1925	1924	1923
Earnings	$ 48,065	$ 41,499	$ 32,096
Taxes	6,080	6,156	.....
	$ 41,985	$ 35,343	$ 32,096
Bal. forward	26,997	25,857	15,694
Adjustments	......	......	7,849
	$ 68,892	$ 61,200	$ 55,639
Distribution—			
Dividends	$ 34,623	$ 34,202	$ 29,782
Reserve	25,000	......	......
Balance	9,359	26,997	25,857
	$ 68,982	$ 61,200	$ 55,639

Eight Years' Earning Record

	Paid-up Capital	xProfits	Div.	% Prof. Av. C'p.	Earn. R't.
1925	$579,298	$41,985	6	7.3	6.1
1924	575,010	35,343	6	6.2	5.4
1923	568,019	32,096	6	6 5	5.7
1922	509,716	31,452	.	6.2	5.3
1921	501,302	11,756	.	2.3	2.2
1920	501,302	34,410	.	6.9	6.7
1919	501,302	62,196	.	12.4	12.2
1918	480,440	24,004	.	5.0	4.0

xTaxes deduced.

W. H. Wardrope, the president, says that the past year has been the most satisfactory in the history of the company. Total assets have increased from $5,261,329 to $6,248,947.

Montreal Loan & Mortgage Profits at Similar Level

From Our Own Correspondent.

MONTREAL.—The annual report of the Montreal Loan and Mortgage Company for the year ending December 31, 1925, shows that earnings were fractionally higher than during the preceding year. Changes in the balance sheet during the year were of a minor character only. There follow the comparative figures of the profit and loss account over the past three years:

Profit and Loss

	1925	1924	1923
Net profits	$ 85,958	$ 85,319	$ 86,236
Bal. forward	31,118	73,799	65,563
	$117,076	$169,118	$151,799
Dividends	78,000	78,000	78,000
Reserve	......	50,000	......
Balance	39,076	31,118	73,799
	$117,076	$159,118	$151,799

Eight Years' Record

Year	Paid-up Capital	Profits	Div.	% Profits Av. Cap	E'rn. Rt.
1925	$600,000	$85,958	12+1	14.3	5.7
1924	600,000	85,319	12+1	14.2	5.6
1923	600,000	86,236	12+1	14.3	5.9
1922	600,000	83,674	12+1	13.9	5.7
1921	600,000	87,318	12+1	14.5	6.0
1920	600,000	92,150	12+1	15.3	6.6
1919	600,000	87,931	10+1	14.6	6.6
1918	600,000	85,965	1+1	14.3	6.4

CROWN TRUST HAD A SPLENDID YEAR

Improved Earnings Shown and Continued Growth is Reported

The annual financial statement of the Crown Trust Co. shows earnings at a record level for the company. Gross profits for the year under review amounted to $147,750, as compared with $136,135 in 1924, and $126,464 in 1923.

Profit and Loss

	1925	1924	1923
Gross profits	$147,750	$136,135	$126,464
Expenses	91,569	80,889	73,876
Net profits	$ 56,181	$ 55,246	$ 52,588
Bal. forward	20,783	20,537	22,949
	$ 76,965	$ 75,783	$ 75,537
Dividends	30,000	30,000	30,000
Reserve	25,000	25,000	25,000
Balance	21,965	20,783	20,537
	$ 76,965	$ 75,783	$ 75,537

Rate of Earnings

Year	Paid-up Cap.	Prof.	Div.	% Prof. Av. Cap.	Earn. Rate
1925	$500,000	$56,181	6	11.2	8.1
1924	500,000	55,246	6	11.0	8.2
1923	500,000	52,588	6	10.5	8.2
1922	500,000	50,561	6	10.1	8.2
1921	500,000	41,998	6	8.3	6.9
1920	500,000	55,100	6	11.0	9.8
1919	500,000	44,326	6	8.8	7.3
1918	500,000	34,754	6	6.9	6.3

Among the assets in the balance sheet, funds and investments stand at $8,358,708, as compared with $7,399,394 in the previous year. The property account is up from $166,876 to $259,555. Among the liabilities, funds for investment are shown as $1,056,250, as compared with $485,850 in the previous year.

Reviewing the developments of the year I. P. Rexford, the general manager, said:

To be able to say after an experience of seventeen years—during a period of which the world war occurred—that we have never had to foreclose on a property on which we or any of our clients held a mortgage placed by us, and that we now have no loan on our books either placed for ourselves or placed by us for a client which is not amply secured and in a sound, healthy condition, speaks volumes for the care and ability of our valuators, who are regular officers of our company, for the careful judgment of our board of directors, and for the general efficiency of our system for passing upon loans.

Seventeen years ago the Crown Trust Company adopted a business standard of conservatism. Seventeen years of unswerving adherence to this principle, characterized by thorough service and loyalty to the interests of our clients, has brought to it the business of people to whom this policy and the distinctly personal service which we are able to render make an especial appeal in the selection of an executor, trustee or financial agent.

RAILWAY EARNINGS

Canadian Pacific Railway

Week end.:	1926	1925	Change
Feb. 7	$3,083,000	$2,758,000	$ 325,000
Feb. 14	3,100,000	2,976,000+	124,000

Canadian National Railways

Week end.:	1926	1925	Change
Feb. 7	$4,229,381	$3,945,351+	$284,030
Feb. 14	4,338,765	4,228,324+	110,441

CITY OF REVELSTOKE

Condensed Financial Statement for Year Ending December 31, 1925

TOTAL REVENUE AND EXPENDITURE, 1925

	Revenue	Expenditure	Deficit	Surplus
General	$70,684.26	$72,189.99	$1,505.73	
School	45,833.33	47,664.71	1,831.38	
Light	43,344.45	36,118.70		7,225.75
Water	14,954.65	11,613.43		3,341.22
By-Law	68,000.00	67,841.10		158.90
Totals	$242,816.69	$235,427.93	$3,337.11	$10,725.87

Net Surplus, $7,388.76.

ASSETS, LIABILITIES AND SURPLUS

Current	$105,344.65	$ 82,124.04	$ 23,220.61
Sinking Fund	203,238.95	202,408.64	830.31
Fixed	774,601.48	384,091.36	390,510.12
	$1,083,185.08	$668,624.04	$414,561.04

ANALYSIS OF DEBENTURE DEBT AND SINKING FUND REQUIRED

Purpose	Bonds O.S.	Sink. Funds	Net Debt	Annual Sink'g. Fund Req.
Waterworks	$64,500	$18,953.21	$45,546.79	$1,404.74
Electrical	268,000	79,243.21	188,756.79	8,600.25
Local Improvements	64,000	35,700.33	28,299.67	4,234.05
Schools	42,000	10,353.24	31,646.76	886.09
General	148,000	58,158.65	89,841.35	12,719.15
Totals	$586,500	$202,408.64	$384,091.36	$27,844.28
Sinking Fund Surplus	......	830.31	830.31	
Net Sinking Fund and Debt	......	$203,238.95	$383,261.05	

Bond Maturities

			$185,500		$426,500		$446,500
1926	$13,000	1931	$4,000	1936	$4,000	1941	$4,000
1927	80,500	1932	55,500	1937	4,000	1941	4,000
1928	12,500	1933	19,000	1938	4,000	1960	68,000
1929	4,000	1934	119,000	1939	4,000	1961	50,000
1920	75,500	1935	43,500	1940	4,000	1963	14,000
Forward	$185,500		$426,500		$446,500	Total	$586,500

Serial Bonds	$ 86,000
Sinking Fund Bonds	500,500
Unsold Debentures Included Above	68,000

No other Debentures are guaranteed by the City.

ASSESSMENT AND TAXATION, 1925

	Land	Improvements	Taxable
School Purposes	$1,149,270	$1,409,150	$1,853,845
City Purposes	986,535	1,329,800	1,651,435
City Exemptions	271,650	429,700	

Improvements exempt 50 per cent. of assessed value. This exemption is not included in City Exemptions.

TAX RATE:—General, 9; Debenture, 9; School, 18; Total, 36 Mills.

Total Rate and Frontage Levy		$72,722.91
Collections		59,229.31
1925 Taxes Unpaid		$13,493.60
Arrears of Taxes, Jan. 1st, 1925	$18,840.56	
Collections	11,739.59	7,100.97

No part of these arrears represents taxes on Tax Sale properties.
Taxes represented by property reverted through Tax Sales, $91,060.38.

SOME RESULTS OF EFFICIENT ADMINISTRATION

No frontage rates for paved streets. No taxation for street lights. No frontage rates for water mains. No monthly over-head charge for power motor. No charge for sprinkling lawns. No charge for water washing machine motors. Only 17.5 miles of streets, of which 2.35 is paved. Macadam streets, 10.9 miles. Concrete sidewalks, 7.1 miles. 75 per cent. of lots are serviced with sanitary sewers. 80 per cent. of lots are serviced with water mains. 90 per cent. of lots are serviced with electricity. Water for residences $1.40 per month flat. Electric water heaters, 750 watt, $1.80 per month. Light rates, 9 cents per kwt. hour. Industrial power, approximately .7 cents per kwt. hour. Water and power utilities operating at a profit.

In the near future we may expect the residential and industrial sites held by the city to become valuable.

The Council has cancelled over $200,000.00 of its debentures, most of them not maturing for years, leaving the Sinking Fund with a surplus. $10,000.00 will therefore be released for other purposes in 1928.

Limit of Borrowing Power: General, $603,537.00; Present Debt, $148,000; Net Per Capita Debt, all purposes, $109.53; Net from Taxation, $42.80. Population (estimated) 3,500. Area, acres, 570.

BLACK LAKE ASBESTOS

Minority bondholders of the Black Lake Asbestos and Chrome Co., Ltd., at a special meeting decided to take no further action to protect their financial interest in this company, which has been placed in liquidation. The situation was thoroughly reviewed and discussed, and it was even suggested that the minority group buy out the company and operate it under their own direction.

BOOTH ON ROYAL TRUST BOARD

The Royal Trust Company has strengthened its Ottawa advisory board in electing as a member C. Jackson Booth, of Ottawa. Mr. Booth is the eldest son of the late J. R. Booth, and is president and treasurer of the J. R. Booth Company.

The Financial Post Survey 1926

The Business STATISTICAL SERVICE of Canadian Commerce and Finance

THE value of statistical data is becoming more and more recognized in business. The rare business executive who is able to "feel" the trend of events without studying statistics showing business movements, is almost extinct.

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The 1926 Edition Incorporates Many Improvements

THE 1926 Survey has many fine new features that put it far in advance of the 1925 edition, and beyond anything ever published in Canada.

For instance, there is a series of analyses of Canadian markets, with maps. For every province in Canada, figures are given, in summary form, concerning the characteristics of the population, the buying habits of the people, wealth and buying power, etc. These market analyses will be of the utmost value to every sales manager and business man in any line.

There are, too, a series of analyses of industries. The extent of the operations of every industry will be shown. The principal products of every article produced in every industry with amounts and values will be given. This is the most comprehensive analysis of Canadian industries ever attempted.

What is in the Survey

CHAPTER 1—Survey of Canadian purchasing power.
CHAPTER 2—Agricultural survey.
CHAPTER 3—Industrial analysis.
CHAPTER 4—Fisheries production.
CHAPTER 5—Forestry industries.
CHAPTER 6—Mining industries.
CHAPTER 7—Canada in international trade.
CHAPTER 8—Public finance and taxation.
CHAPTER 9—Banking in Canada.
CHAPTER 10—Transportation.
CHAPTER 11—Commodity prices.
CHAPTER 12—Investment analysis.
CHAPTER 13—Insurance and loaning records.
CHAPTER 14—Population distribution.
CHAPTER 15—Position of Newfoundland.

There is as a third fine new feature an extensive summary of financial, trade and business statistics of Newfoundland. Too little is known in Canada and the United States about their nearest British neighbour. The facts business men want in dealing with the Island Dominion are in complete form, easy of reference.

Canadian mining is dealt with on a broader scale than in previous year, a whole chapter being set aside for the purpose. One feature is an analysis of what the mines buy. New developments in Canadian business such as bus transportation are dealt with.

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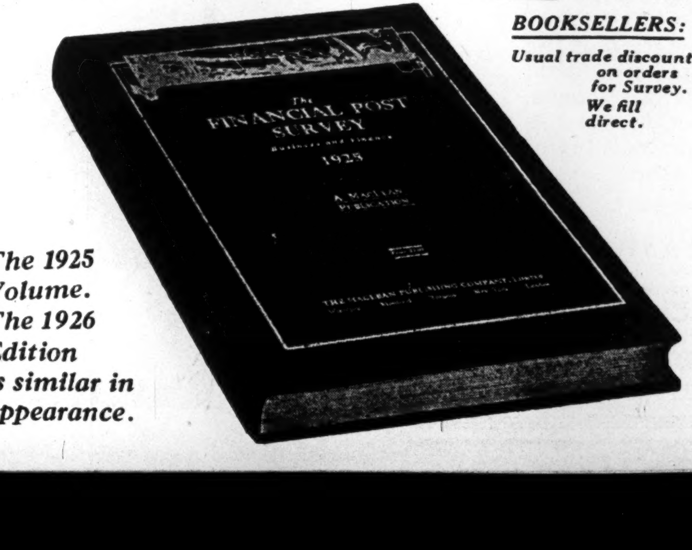

The 1925 Volume. The 1926 Edition is similar in appearance.

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